

BONDUELLE

*A French limited partnership (société en commandite par actions) with share capital of 56,000,000 euros
Registered office: La Woestyne, 59173 Renescure – France
Dunkerque Register of Companies (RC) number: B 447 250 044*

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2009*

** Currently being reviewed by the Independent Auditors*

Consolidated income statement

<i>For the 12 months ended June 30</i>		<i>2008</i>	<i>2009</i>
<i>In thousands of euros</i>	Notes		
Revenue	5	1 490 147	1 523 949
Purchases and external charges	6	(1 036 329)	(1 039 997)
Personnel costs	7	(294 856)	(301 415)
Depreciation, amortization and impairment		(66 433)	(67 209)
Other operating income	8	51 104	45 594
Other operating charges	8	(43 252)	(59 175)
Loss on sale of consolidated equity investments		0	(17)
Operating income from continuing operations		100 381	101 731
Non-recurring items	9	(1 771)	(2 438)
Operating income		98 610	99 293
Net borrowing costs		(26 635)	(26 984)
Other financial income and expenses		1 645	(33 788)
Net financial expenses	10	(24 990)	(60 772)
Income from associates		110	(300)
Income before tax		73 730	38 221
Income tax	11	(21 889)	(11 574)
Net income		51 841	26 648
. Group share		51 160	26 552
. Minority interests		680	96
BASIC EARNINGS PER SHARE	12	6,69	3,49
FULLY-DILUTED EARNINGS PER SHARE	12	6,68	3,49

Consolidated balance sheet

<i>In thousands of euros</i>	Notes	<i>At June 30, 2008</i>	<i>At June 30, 2009</i>
Non-current assets		553 838	571 759
Other intangible assets	13	44 996	42 241
Goodwill	14	101 317	115 395
Property, plant and equipment	15	381 228	378 571
Investments in associates	4.4	161	9 790
Other non-current financial assets	17	10 657	12 051
Deferred taxes	11	13 304	12 932
Other non-current assets		2 176	780
Current assets		906 815	914 785
Inventories and work-in-process	18	394 847	510 326
Trade and other accounts receivable	19	379 710	320 547
Tax receivables		17 356	10 264
Other current assets	16	3 939	5 627
Other current financial assets	16	17 288	5 344
Cash and cash equivalents		93 673	62 676
Total assets		1 460 653	1 486 543

Equity and liabilities

<i>In thousands of euros</i>	Notes	<i>At June 30, 2008</i>	<i>At June 30, 2009</i>
Equity - Group share		372 127	367 870
Share capital		56 000	56 000
Additional paid-in capital		22 545	22 545
Consolidated reserves		293 582	289 325
Minority interests		19 041	11 773
Total equity		391 168	379 643
Non-current liabilities		406 140	527 190
Financial liabilities - non-current portion	21	347 329	462 134
Employee benefits	22	4 316	5 534
Other non-current provisions	24	11 382	25 088
Deferred taxes	11	31 615	28 899
Other non-current liabilities	16	11 498	5 534
Current liabilities		663 345	579 710
Financial liabilities - current portion	21	180 816	127 387
Current provisions	24	4 752	2 492
Trade and other accounts payable	25	473 529	445 177
Tax payables		3 211	1 813
Other current liabilities	16	1 037	2 842
Total equity and liabilities		1 460 653	1 486 543

Consolidated cash flow statement

In thousands of euros	Notes	<i>At June 30, 2008</i>	<i>At June 30, 2009</i>
Net income		51 841	26 648
Income from associates		(110)	300
Depreciation, amortization and impairment		64 925	77 747
Elimination of other non-cash sources		1 080	26 677
Taxes paid		(15 298)	(14 294)
Income tax expense		21 909	11 574
Accrued interest		685	(1 786)
Cash flows from operating activities		125 030	126 866
Change in net working capital		(19 008)	(64 172)
Net cash flows provided by operating activities		106 022	62 694
Acquisitions of consolidated companies - net of cash and cash equivalents		(87 876)	(26 787)
Disposals of consolidated companies - net of cash and cash equivalents disposed of		0	112
Acquisitions of property, plant and equipment		(71 820)	(73 209)
Acquisitions of financial assets		(1 570)	(97)
Disposals of property, plant and equipment and financial assets		1 408	1 752
Net changes in loans and other non-current financial assets		362	(179)
Cash flows used by investing activities		(159 496)	(98 409)
Capital increase		0	0
Net acquisition of treasury stock		(18 081)	(2 266)
Net increase in non-current financial liabilities		149 126	139 867
Net decrease in current financial liabilities		(34 461)	(118 516)
Dividends paid to Group and minority shareholders		(11 101)	(12 221)
Cash flows provided by financing activities		85 483	6 863
Impact of changes in exchange rates		(3 241)	(15)
Change in cash balances		28 768	(28 866)
Cash and cash equivalents - opening balance	21	62 774	91 542
Cash and cash equivalents - closing balance	21	91 542	62 676
Change in cash balances		28 768	(28 866)

Consolidated statement of changes in equity

In thousands of euros	Numbers of shares/per share	Share capital	Additional paid-in capital	Actuarial losses	Treasury stock	Cumulative translation adjustments	Retained earnings	Equity - group share	Minority interests	Total equity
Equity at July 1, 2007	8,000,000	56,000	22,545	(839)	(628)	623	282,991	360,692	21,133	381,825
Cash flow hedges, net of taxes							2,992	2,992		2,992
Stock options							188	188		188
OBSAAR 2014 bond conversion options							3,563	3,563		3,563
Translation adjustments						(13,648)		(13,648)	(487)	(14,134)
Change of scope							(126)		(280)	(406)
Treasury stock					(18,197)			(18,197)		(18,197)
Actuarial gains (losses)				49				49		49
Other							(3,682)	(3,682)	(1,769)	(5,451)
Subtotal of items recorded directly in equity				49	(18,197)	(13,648)	2,935	(28,861)	(2,535)	(31,397)
Net income for the year ended June 30, 2008							51,160	51,160	680	51,841
Total income and expenses recorded for the period				49	(18,197)	(13,648)	54,095	22,299	(1,855)	20,444
Dividends paid	1.35						(10,863)	(10,863)	(238)	(11,101)
Equity at June 30, 2008	8,000,000	56,000	22,545	(790)	(18,825)	(13,025)	326,222	372,127	19,041	391,168
Cash flow hedges, net of taxes							(4,656)	(4,656)		(4,656)
Stock options							287	287		287
OBSAAR 2014 bond conversion options							2,077	2,077		2,077
Translation adjustments						(14,720)		(14,720)	(668)	(15,388)
Change of scope							0	0	(6,658)	(6,658)
Treasury stock					(2,271)			(2,271)		(2,271)
Actuarial gains (losses)				(335)				(335)	(95)	(430)
Other							1,030	1,030	56	1,087
Subtotal of items recorded directly in equity				(335)	(2,271)	(14,720)	(1,262)	(18,588)	(7,364)	(25,952)
Net income for the year ended June 30, 2008							26,552	26,552	96	26,648
Total income and expenses recorded for the period				(335)	(2,271)	(14,720)	25,290	7,964	(7,268)	696
Dividends paid	1.50						(12,221)	(12,221)		(12,221)
Equity at June 30, 2009	8,000,000	56,000	22,545	(1,125)	(21,097)	(27,745)	339,291	367,870	11,773	379,642

Notes to the consolidated financial statements

Note 1 – Preparation

The consolidated financial statements of the Bonduelle group and its subsidiaries (“the Group”) for the year ended June 30, 2009 (“2008/2009”) have been prepared in compliance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and whose adoption ruling has been published in the official journal of the European Union.

Standards, updates and interpretations first applicable to the year ended June 30, 2009:

- IFRIC 13 “Customer Loyalty Programs” does not affect Bonduelle;

Standards, updates and interpretations the adoption of which is not yet mandatory and that have not been applied early by the Group:

- IAS 1 (revised), regarding the presentation of financial statements;
- IAS 23 “Borrowing Costs,” applicable to accounting periods starting on or after January 1, 2009;
- IFRS 2 amendment “Vesting Conditions and Cancellations,” applicable to accounting periods starting on or after January 1, 2009;
- IAS 32 and IAS 1 amendment “Puttable Financial Instruments and Obligations Arising on Liquidation,” applicable to accounting periods starting on or after January 1, 2009;
- IFRS 1 - IAS 27 amendment “Measuring Investments in Subsidiaries, Jointly Controlled Entities and Associates” applicable to accounting periods starting on or after January 1, 2009.
- IFRIC 14 - IAS 19 “The Limit on a Defined Benefit Asset Minimum Funding Requirements and their Interaction;”
- IFRIC 16 “Hedges of a Net Investment in a Foreign Operation;”
- IFRS 1 “First-Time Adoption of IFRS” revised, applicable as from July 1, 2009;
- IAS 39 amendment (2008) “Reclassification of Financial Assets: Effective Date and Transition,” applicable as from July 1, 2008 but not yet adopted by the European Union;
- IFRS 3 and IAS 27 revised, following the Business Combinations Phase II project, applicable as from July 1, 2009;
- IAS 39 amendment (2008) “Exposures Qualifying for Hedge Accounting,” applicable as from July 1, 2009;
- IFRS 7 amendment “Improving Disclosures About Financial Instruments,” applicable as from January 1, 2009 but not yet adopted by the European Union;
- IFRIC 9 and IAS 39 amendments “Embedded Derivatives,” applicable as from June 30, 2009 but not yet adopted by the European Union;
- IFRIC 12 “Service Concession Arrangements,” whose application is optional at June 30, 2009;
- IFRIC 15 “Agreements for the Construction of Real Estate,” applicable as from January 1, 2009 but not yet adopted by the European Union;
- IFRIC 17 “Distributions of Non-cash Assets to Owners,” applicable as from July 1, 2009;
- IFRIC 18 “Transfers of Assets from Customers,” applicable as from July 1, 2009;
- IAS 39 amendment (2008) “Reclassification of Financial Assets,” whose application is mandatory but has been applied (as not adopted by the EU).

A. Information regarding the Group

Bonduelle SCA is a French limited partnership (*société en commandite par actions*) that is listed in Compartment B of Euronext. Bonduelle is a market leader in processed vegetables both within and outside Europe. The Company's business is made up of two activities: canned/frozen and packaged fresh vegetables.

On September 11, 2009, the Management Board approved the consolidated financial statements prepared under IFRS, and authorized the publication of the financial statements for the 12 months ended June 30, 2009, which will be submitted to the Shareholders' Meeting of December 3, 2009 for approval.

Highlights of the year:

Acquisition of 100% of the capital of La Corbeille

On November 18, 2008, Bonduelle acquired 100% of the capital of La Corbeille, a Belgian company. Starting November 1, 2008, the companies La Corbeille Groep N.V, La Corbeille SA, La Corbeille Industrie, and La Corbeille Conserven Picolo are all fully consolidated. Only La Corbeille Rijke Copérative is consolidated by the equity method.

Gradual closure of Stabroek plant

On March 20, 2009, Bonduelle announced that it would be closing its Stabroek plant and reorganizing its headquarters in Westmeerbeek.

Management attributes this decision to much poorer weather conditions, the slowdown in the European canned vegetable market, the sharp increase in can prices and the bad situation at the plant in Stabroek. The entire provision for restructuring was recognized in non-recurring items (see Note 9).

Acquisition of minority interest from EBRD

On March 31, 2009, Bonduelle acquired the EBRD's 30% minority interest in its Russian subsidiary, Bonduelle Kuban.

The value of the goodwill recognized is shown in Note 14.

Alliance with Gelagri

On September 15, 2008, the Group announced its intention to pool its private label frozen food operations with those of Gelagri, a subsidiary of the Coopagri group.

Operations started up during the fourth quarter of the 2008/2009 financial year.

FTF and OFL

On April 1, 2009 and June 30, 2009, respectively, the Group acquired the assets of the companies Family Tradition Foods and Omstead Foods Limited in Canada.

Only the activities of Family Tradition Foods were consolidated for the period to June 30, 2009.

The assets acquired consisted primarily of inventories, non-current operating assets and intangible business assets.

Issuance of OBSAAR bonds and simplified public exchange offer

On April 6, 2009, Bonduelle issued 233,333 bonds with redeemable share subscription and/or purchase warrants (OBSAAR) with a par value of 600 euros on Euronext, maintaining shareholders' preemptive rights. Bonduelle also initiated a simplified public exchange offer (OPES) for the redeemable share subscription and/or purchase warrants attached to the Company's 2007 OBSAAR issue.

B. Consolidation methods

The consolidated financial statements fully consolidate the financial statements of all subsidiaries controlled either directly or indirectly by the Group. The Group considers that it has exclusive control of a company when it is in a position to influence the operational and financial policies of the company, regardless of its percentage of ownership. Accordingly, certain companies are fully consolidated, even though the Group holds a percentage of the share capital equal to or less than 50%. Full consolidation allows recognition of all assets, liabilities and income statement items of the companies concerned, after elimination of all intercompany transactions and earnings, with the portion of income and equity attributable to Group companies ("Group share") distinguished from the portion concerning the interests of other shareholders ("Minority interests"). All companies over which Bonduelle does not exercise exclusive control yet still exerts notable influence or joint control are accounted for using the equity method.

Soleal is fully consolidated (37%), as the company is legally controlled by Bonduelle and, from a contractual and financial standpoint, Soleal's sole intercompany customer is Bonduelle Sud Europe, a wholly-owned subsidiary of Bonduelle Conserve International (BCI).

Rijke Oogst, a Belgian cooperative, is accounted for using the equity method. The percentage of control is equal to Bonduelle's proportional representation on the Board.

The four Gelagri companies are accounted for using the equity method. The percentage of control and ownership is equal to Bonduelle's percentage holding of the preference shares issued by the four companies.

All consolidated Group companies closed their annual financial statements on June 30, 2009 with the exception of Bonduelle Kuban and the member companies of the Gelagri groups, which were consolidated on the basis of their accounting data at June 30, 2009.

A company is included within the consolidation scope as of the date on which the Company first acquires control or notable influence, and is deconsolidated as of the date on which the Company first loses control or notable influence.

All income and expenses related to subsidiaries acquired or disposed of during the financial year are recognized in the consolidated income statement with effect from the acquisition date or until disposal.

All transactions between consolidated companies and intercompany income (including dividends) are eliminated.

C. Segment reporting

The Bonduelle Group applies IFRS 8, which is substituted for IAS 14, with comparative information.

Segment data is reported on the basis of the operating segments used for internal reporting purposes. This is referred to as the 'management approach'.

The two operating segments are the European Area and Out of European Area.

Bonduelle's European Area segment is made up of its subsidiaries in France, Germany, Italy, the Iberian Peninsula, the Benelux countries and Central Europe.

Bonduelle's Out of European Area segment is made up of its subsidiaries in Eastern Europe, the Mercosur, North America and its Export activities.

The following modification was made as of July 1: all data regarding the French company BDV SAS is now included in Rest of World, as that is where the company exports its products.

Aside from a 13,733 thousand euro increase in revenue for the Out of European Area in 2007/2008, with a corresponding decrease for the European Area, the impact of this modification on historical data was immaterial.

These segments are based on Bonduelle's new managerial organization

The primary indicators published are those used by the Group's Executive Management. Revenue, depreciation, amortization and impairment of non-current assets, operating income from continuing operations and operating income are all presented by geographical region and revenue is also presented by operating segment.

Balance sheet information (non-current assets, current assets, non-current liabilities, current liabilities) is broken down by geographical region. Only goodwill and brands are broken down by both geographical region and by operating segment.

D. Translation of transactions denominated in foreign currencies and the financial statements of companies outside the euro zone

Translation of transactions denominated in foreign currencies

Transactions denominated in foreign currencies are translated using the exchange rates on the transaction dates. All receivables and liabilities denominated in foreign currencies recognized in the balance sheet at the end of the period are translated into euros at the closing rate. All foreign exchange gains and losses generated by the translation of transactions denominated in foreign currencies are included under the financial income and financial expenses headings of the income statement, except for those on borrowings denominated in foreign currencies or other instruments used to hedge long-term equity investments in that same currency, which are included on the line "Accumulated translation adjustments" of consolidated equity.

Translation of the financial statements of companies outside the euro zone

The balance sheets of companies with a functional currency other than the euro are translated into euros at the official closing rate, and their income statements are translated into euros using the average exchange rate (excluding hyperinflation) for each currency during the period. The exchange differences resulting from the application of these various foreign exchange rates are included on the line "Accumulated translation adjustments" in consolidated equity until such time as the foreign holdings to which they pertain are sold or liquidated.

Note 2 – Accounting policies

The consolidated financial statements at June 30, 2009 are presented in thousands of euros, and reflect the financial position of the Company and its subsidiaries (hereafter, “the Group”). Historical costs are used, except for the assets and liabilities discussed below that are recognized at fair value.

A. Intangible assets

Goodwill

When shares are acquired in companies that are either fully consolidated or accounted for using the equity method, the cost of acquiring the shares is allocated to the assets, liabilities and contingent liabilities acquired measured at their fair value. Any difference between the acquisition cost and the Group’s share in the fair value of the assets, liabilities and contingent liabilities acquired represents goodwill. These differences are presented on the asset side of the consolidated balance sheet under “Goodwill” for companies that are fully consolidated, and under “Investments in associates” for companies accounted for using the equity method.

Goodwill on non-French companies is recognized in the functional currency of the company acquired.

Badwill is expensed immediately as a non-recurring item.

Other intangible assets

All separately identifiable brands/trademarks acquired whose useful life is considered to be indefinite are recognized in the consolidated balance sheet under the heading “Other intangible assets”.

Licenses, patents and any other intangible assets acquired are recognized at their acquisition cost under “Other intangible assets” in the consolidated balance sheet. They are amortized on a straight-line basis in accordance with their projected useful life.

Development costs

All development costs must be capitalized as intangible assets when the company can prove that they will generate future economic benefits and that their costs can indeed be identified.

Development costs for software used within the Group itself are carried as assets in the balance sheet when it is probable that these expenses will generate future economic benefits. These costs are amortized on a straight-line basis over the expected useful life of the software, which may be between one and five years. All other software acquisition and development costs are recognized as expenses in the period during which they are incurred.

Monitoring of brand values

The main factors in assessing the indefinite nature of the useful life of the brands were their market positioning in terms of sales volume, brand awareness, and their expected long-term profitability. These values are not amortized, but are subjected to an annual impairment test, in accordance with IAS 36, which includes notably the monitoring of the metrics cited above.

Monitoring of goodwill values

The carrying amount of goodwill is tested for impairment at least once a year; all other intangible assets are tested whenever events and conditions suggest that they are likely to have experienced a loss of value. An impairment loss is recognized when the recoverable amount of the intangible assets becomes less than their carrying amount. Any impairment is allocated first to the goodwill allocated to the cash generating unit ("CGU"), and then as a reduction of the carrying amount of each asset within the CGU.

The recoverable amount of intangible assets corresponds to the greater of fair value less all related selling costs and their value in use. The value in use is calculated on the basis of the discounted projected cash flows of the cash generating unit to which the intangible assets tested belong.

Cash generating units are combinations of subsidiaries that belong to the same operating segment and that generate cash flows that are clearly distinct from those generated by other CGUs. The cash flows used to calculate values in use are taken from the CGUs' five-year strategic plans.

A 1% growth rate is used to extrapolate the projected cash flows beyond the five-year period included in the strategic plans.

These cash flows are discounted using a pre-tax rate, on the basis of a weighted average cost of capital (WACC = 7%) calculated using the market data available for Bonduelle and its operating segments. A two percentage point change in the discount rate does not modify the conclusions of the impairment test.

The Group uses the following business segments to monitor its CGUs for the two geographical operating segments:

For the European Area

- Canned and frozen vegetables,
- Packaged fresh vegetables.

For the Out of European Area

- Canned and frozen vegetables in North America.
- Canned and frozen vegetables in Eastern Europe.

The fair value less all related selling costs corresponds to the amount that could be obtained by selling the asset (or group of assets) under arm's length conditions, less all costs related directly to the disposal of the asset(s).

The carrying amount of the goodwill allocated to each operating segment is shown in Note 5.

B. Property, plant and equipment

Property, plant and equipment are recorded on the balance sheet at their cost less accumulated depreciation and impairment. The gross value of property, plant and equipment corresponds to their purchase or production cost. It is never remeasured. Purchase or production costs include, where applicable, all costs related to the dismantling or refurbishing of production sites. Borrowing costs are not included in the costs of non-current assets.

Non-current assets held through finance leases are recognized as assets on the balance sheet at the lower of the discounted value of the future minimum payments or market value when the contract transfers to the Group, in substance, most of the risks related to the ownership of the asset. The level of risk transferred is assessed by analyzing the terms of the contract. The financial liability arising from the acquisition of the asset is recorded in the consolidated balance sheet.

Depreciation is calculated on a straight-line basis based on purchase cost, less any residual value, from the date on which the asset is ready to be placed in service. With the exception of certain special cases, residual values are zero. Effective lives are reviewed periodically, notably in the case of decisions to move production sites:

- | | |
|---|---------------|
| - Buildings: | 10 - 40 years |
| - Plant & equip., office equip., furniture: | 5 - 15 years |
| - Other: | 3 - 10 years |

Where circumstances or events indicate that the value of a non-current asset may have declined, the Group examines the recoverable amount of the asset (or group of assets to which it belongs). The recoverable amount is the higher of the asset's fair value less disposal costs and its value in use. Value in use is estimated by discounting the expected future cash flows of the asset (or group of assets to which it belongs) within the conditions of use planned by the Group. Impairment is recognized when the recoverable amount of a non-current asset becomes durably lower than its carrying amount.

C. Financial assets

Financial assets

IAS 39 requires financial assets to be classified in one of the following categories:

- Financial assets at fair value through profit or loss (including derivative assets);
- Loans and receivables;
- Held-to-maturity assets;
- Available-for-sale assets.

These categories are used to determine the accounting treatment applied in the financial statements. The classification is determined by the Group on the day the asset is initially recognized, on the basis of the Group's objective in acquiring the asset. All purchases and sales of financial assets are recognized on the transaction date, which is the date on which the Group commits to the purchase or sale of the asset.

1 - Financial assets at fair value through profit or loss

These consist of financial assets held by the Group in hopes of generating a short-term gain, or any financial assets voluntarily classified in this category. They are measured at their fair value, and all changes are recognized in the income statement. Classified under cash equivalents within the Group's current assets, these financial instruments include notably units or shares in money market funds and derivative assets.

2 - Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and not designated as held for trading or available for sale. These assets are initially measured at fair value, and subsequently stated at their amortized cost using the effective interest rate method. The fair value of short-term, non-interest-bearing receivables is equal to the value of the original invoice, unless the effective interest rate has a material impact.

These assets are tested for impairment in the event of any evidence of a loss of value. Impairment is recognized if the carrying amount is greater than the probable recoverable amount.

Loans to affiliates, other loans and receivables and trade accounts receivable are included in this category, under financial assets and trade accounts receivable.

As part of its financing strategy, the Group occasionally sells its trade receivables. These sales are carried out on a no-recourse basis, thereby transferring all risk to the company purchasing the receivable. Accordingly, the receivables sold are no longer recognized among balance sheet assets.

3 - Held-to-maturity assets

Held-to-maturity assets are financial assets, other than loans and receivables, with fixed maturities and fixed or determinable payments, which the Group intends and is able to hold to maturity. These assets are initially recognized at fair value, and subsequently stated at their amortized cost using the effective interest rate method. They are tested for impairment in the event of any evidence of a loss of value. Impairment is recognized if the carrying amount is greater than the probable recoverable amount.

Held-to-maturity investments are reported under financial assets.

4 - Available-for-sale assets

Available-for-sale assets are financial assets that cannot be classified in any of the aforementioned categories. They are measured at fair value. Any unrealized gains or losses are recognized through shareholders' equity until such time as they are sold. However, when there is objective evidence of the impairment of an available-for-sale asset, the accumulated loss is recognized through profit or loss.

Durable impairment recognized on variable income securities cannot be reversed at a subsequent balance sheet date.

For listed securities, fair value corresponds to market price. For unlisted securities, it is calculated by using recent transactions as benchmarks, or using a valuation technique based on reliable and observable market data. However, when it is not possible to provide a reasonable estimate of the fair value of a security, it is measured at its historical cost. These assets are subsequently tested for impairment to determine whether recovery is possible. This category includes primarily non-consolidated investments and securities that do not meet any of the other definitions of financial assets. They are reported under financial assets.

D. Financial liabilities

Financial liabilities include:

- Bonds
- Accrued interest not yet due
- Outstandings on finance leases
- Borrowings and bank lines
- Derivative liabilities.

Financial liabilities are measured and recognized at their amortized cost using the effective interest rate method. They are recognized at the settlement date.

In accordance with IAS 39 regarding accounting policies for fair value hedging, bonds, which were swapped at the time they were issued, were marked to market. Changes in the fair value of the debt and the associated derivatives are recognized through profit or loss for the period.

E. Derivative financial instruments

The Group uses over-the-counter derivatives to manage exposure to foreign exchange and interest rate risks. Group policy precludes speculative investments in financial markets.

In accordance with IAS 39, financial derivatives are recognized in the consolidated balance sheet at fair value.

- If the derivative is designated as a fair value hedge for assets or liabilities recognized in the consolidated balance sheet, changes in the fair value of both the derivative and the underlying item hedged are recognized through profit or loss for the same period.
- If the derivative is designated as a cash flow hedge, the change in the value of the effective portion of the derivative is recognized in equity. It is recognized through profit or loss when the item hedged is also recognized through profit or loss. A change in the value of the ineffective portion of the derivative is, however, recognized immediately through profit or loss.
- If the derivative is designated as a hedge of a net investment in foreign operations, the change in the fair value of the effective portion of the derivative is recognized directly through equity. Amounts recognized in this manner are taken to income only when the investment is sold. The ineffective portion is recognized immediately through profit or loss.
- Changes in the fair value of derivatives that do not qualify for the use of hedge accounting are recognized directly through profit or loss for the period. They are listed as "Hedges not eligible for IFRS hedge accounting."

Derivatives are recognized at the transaction date.

The market values of financial assets and liabilities are calculated on the basis of generally-accepted valuation models or, in the case of more complex instruments, quotations supplied directly by the bank counterparties. The market data used in the valuation models includes central bank fixings and data supplied by Reuters-Telerate.

F. Inventories

Materials inventories are measured at their weighted average unit cost. Finished goods inventories are measured at their production cost, which includes the cost of purchasing the materials used and all direct and indirect production costs (including fixed production costs).

Borrowing costs are not included in inventory values. Impairment is deemed necessary in the following cases:

- for raw materials when current market price is lower than carrying amount,
- for finished goods and commodities sold as-is, each time the probable net realizable value is lower than production or purchase costs.

The amount of impairment required to bring inventory to its net realizable value and all inventory losses are recognized as expenses for the period during which the impairment or loss occurred. The sum of any recoveries of inventory impairment resulting from an increase in the net realizable value is recognized as a reduction in the amount of inventories recognized in expenses in the period during which the recovery was made.

Intercompany margins are eliminated.

G. Treasury stock

Bonduelle own shares held by the Company are recognized as a reduction of consolidated equity, on the line "Treasury stock," for an amount corresponding to their cost. Any funds generated by the sale of treasury stock are applied directly as an increase of shareholders' equity, and therefore any gains or losses on disposal do not impact net income for the year.

H. Cash and cash equivalents

Cash and cash equivalents include all investments with original maturities equal to or less than three months and that can be disposed of immediately. These investments are measured at their market value.

For the Group, this line includes cash in bank current accounts and units or shares in short-term money market funds.

I. Investment grants

Investment grants are included under "Other non-current liabilities" in the balance sheet and "Other operating income" in the income statement. Recoveries are recognized using the same depreciation schedule as that of the non-current assets whose acquisition they financed.

J. Taxes

Income tax expense includes both the current tax payable by each consolidated tax entity and deferred taxes.

In France, Bonduelle SCA is head of the tax consolidation group that includes Bonduelle SA, Bonduelle Conserve International SAS, Bonduelle Surgelé International SAS, Bonduelle Développement SAS, Bonduelle Food Service SAS, Bonduelle Frais Traiteur SAS, Bonduelle Frais France SA, SCI Revoisson and Bonduelle Traiteur International SAS.

All current taxes in respect of the period are classified in current liabilities to the extent that they have not been settled. Any overpayments of income taxes are classified as current receivables.

Deferred taxes are recognized on temporary differences between the carrying amounts of assets and liabilities and their value for tax purposes, with the exception of goodwill. Under the liability method, deferred taxes are calculated on the basis of the income tax rate expected for the financial year during which the asset will be realized or the liability settled, and are classified among non-current assets and liabilities. Impacts of changes in tax rates from one year to the next are recognized in the net income of the financial year during which the change is recognized. Deferred taxes pertaining to items recognized directly in shareholders' equity are also recognized in shareholders' equity.

Total deferred tax assets resulting from temporary differences and tax loss and credit carryforwards must not exceed the estimated value of the tax that may be recovered. The latter is assessed at the end of each financial year, based on earnings forecasts for the tax entities concerned. Deferred tax assets and liabilities are not discounted.

All deferred taxes are recognized through profit or loss, except those generated by items that are allocated directly to equity, which are likewise recognized in shareholders' equity. This is the specific case of deferred taxes on brands, when the expected tax rate has just been modified.

K. Retirement, termination and medical insurance benefits

The Group provides its employees with either defined contribution or defined benefit plans.

The Group's main obligations under its defined benefit programs consist of termination benefits and long service awards in France, retirement plans in Germany, retirement benefits in Italy and a pension fund in the Netherlands.

Analysis of the various plans:

France - Termination benefits and long service awards:

Actuarial assumptions:	Discount rate:	5.25%
	Return on plan assets:	4.5%
	Future salary increase:	3.0%
	Retirement age:	62 years

Germany - Retirement plans:

Actuarial assumptions:	Discount rate:	5.25%
	Return on plan assets:	N/A
	Future salary increase:	1.75%
	Retirement age:	65 years

Italy - Retirement benefits:

Actuarial assumptions:	Discount rate:	5.25%
	Return on plan assets:	4.5%
	Future salary increase:	3.0%
	Retirement age:	62 years

Netherlands - Pension fund:

Actuarial assumptions:	Discount rate:	5.25%
	Return on plan assets:	5.25%
	Future salary increase:	2.5%
	Retirement age:	65 years

The Group does not have any obligations for future medical benefits.

The same discount rate (5.25%) is used to calculate Bonduelle's obligations under the various plans. The rate of salary inflation presented is an average rate, calculated specifically for each plan (ranging from 1.5% to 4.5%)

The expected rates of return on plan assets are based on historical performances, current and long-term projections and the profile of the assets in the investment fund.

In compliance with IAS 19 Employee Benefits, the projected unit credit method is used to calculate pension and other post-retirement benefits under the defined benefit plans, using assumptions about salary inflation, employee turnover, retirement age and life expectancy.

The corresponding actuarial liabilities are recognized either as contributions paid to insurance companies or in the form of provisions.

The primary actuarial assumptions used to calculate these liabilities were:

- factors for employee turnover and life expectancy
- retirement age: 62, and 65 in Germany and the Netherlands

Bonduelle decided to recognize all actuarial gains and losses in accordance with the option defined by IAS 19 from January 1, 2006: the so-called SORIE option (Statement of Recognized Income and Expense) consists of booking all actuarial gains and losses generated during the year directly to equity. Actuarial gains and losses are generated by inter-period changes in the actuarial assumptions used to calculate the value of the liabilities and the assets, and by differences between the market conditions actually observed and those originally assumed.

Under the defined contribution plans, the Group's only obligation is to pay the required premium, which is recognized as a period expense.

L. Other non-current and current provisions

Provisions are established for clearly identifiable risks and expenses whose timing or amount is uncertain, when an obligation to a third party actually exists and it is certain or probable that this obligation will result in an outflow of resources without receiving at least equivalent consideration.

In the case of restructuring expenses, an obligation is recognized once a detailed restructuring plan has been drawn up or its implementation has begun.

M. Revenue

Revenue is recognized when the material risks and benefits associated with the ownership of the goods have essentially been transferred to the buyer.

Revenue is recognized net of any discounts or rebates accorded to clients and any costs related to co-marketing or referencing agreements, or concerning occasional promotional campaigns invoiced by distributors.

N. Other current operating income and expenses

This line includes other income and expense items not directly related to the Group's main business.

O. Non-recurring items

Non-recurring items comprise significant items that cannot be considered as inherent to the Group's operational activity due to their nature and non-habitual character. They include mainly goodwill, impairment of intangible assets (including goodwill) from consolidated shareholdings, restructuring and reorganization costs, and the impacts of changes in estimates.

P. Share-based payments

Stock warrants and options granted to employees are measured at their fair value at the attribution date. The fair value of the options is calculated using Black & Scholes option pricing model, on the basis of assumptions determined by the Group's management. These share-based payments are recognized in the income statement in the period during which employee's exercise rights become vested, i.e. four years, with the offsetting entry consisting of an equivalent increase in shareholders' equity. All expenses recognized in relation to options that expire prior to becoming exercisable are reversed in the income statement for the period during which they expire.

Q. Basic earnings per share and fully-diluted earnings per share

Basic earnings per share are calculated by dividing net income - Group share by the average number of shares in issue during the financial year.

For the calculation of fully-diluted earnings per share, the weighted average number of shares is adjusted to reflect the impact of the conversion of any convertible instruments into common shares.

R. Assets and liabilities held for sale and operations discontinued, sold or in the process of being sold

Assets and liabilities held for sale, i.e. immediately available for disposal and whose disposal is highly probable, are presented on separate lines of the consolidated balance sheet when their sale is decided, and the consolidated balance sheets of previous periods are not restated. Sale is said to be highly probable when a plan for the sale of the asset (or group of assets) held for sale has been drawn up by the Group's management and an active search for an acquirer has been initiated.

Assets held for sale are measured at the lower of their carrying amount or fair value less any selling costs, and are no longer depreciated. Furthermore, net income and cash flow from discontinued operations or operations that have been sold or are in the process of being sold are presented respectively on a separate line of the income statement and the cash flow statement, for all of the periods presented.

S. Use of estimates

As part of the normal preparation of the consolidated financial statements, the calculation of certain financial data requires the use of assumptions, estimates and assessments. This is especially true for the measurement of intangible assets, deferred taxes on tax loss carryforwards and the calculation of the amount of provisions for risks and charges or provisions for employee benefit and sales commitments. These assumptions, estimates and assessments are based on information and positions existing at the date on which the financial statements were prepared, which may prove, after the fact, to be different from the actual figures.

T. Reclassifications

The presentation of certain information in the financial statements pertaining to prior years may have been modified to make it compliant with the accounting principles adopted for the most recent period presented. No significant reclassifications were made during the financial year.

Note 3 – Management of financial risks

The Group has established an organization that enables centralized management of all of its liquidity, currency, interest rate and counterparty credit risks. The Finance Department has assigned the Group Treasury Department responsibility for risk management, and provided it with all of the expertise and tools needed to participate as effectively and safely as possible in the various financial markets. The organization and procedures utilized are regularly reviewed by the Internal Audit Department. At Financial Business Reviews, the Group's senior management validates all of the guidelines set in place in relation to previously authorized risk management strategies.

In a global economic environment that is experiencing rapid change, characterized by market volatility and changes in financial techniques, Group Treasury's goal is:

- To guarantee optimum and sufficient funding to finance the expansion and growth of the Group's businesses, and
- To identify, evaluate and hedge all financial risks in close collaboration with the operations teams.

The objective is to minimize, at the lowest possible cost, the impact of fluctuations in financial markets on the Group's income, in order to reduce as much as possible the capital allocation required to manage these financial risks.

The Group forbids the taking of speculative positions.

A. Liquidity risk

The Group Finance Department is responsible for maintaining sufficient liquidity at all times. It accomplishes this by managing the Group's cash efficiently, ensuring that financing is obtained that is determinable in both its maturity and its legal conditions. It also arranges confirmed lines of credit to guarantee optimum flexibility in the Group's financing (see Note 21)

B. Market risks

1. Currency risk

- Risks related to changes in foreign exchange rates

The Group publishes its consolidated financial statements in euros, and in the year ended June 30, 2009 73% of its revenue and 38% of its operating income was denominated in euros.

The share of assets, liabilities, sales and earnings denominated in other currencies – essentially the Polish zloty, Hungarian forint, Russian ruble, U.S. dollar and Canadian dollar – fluctuates continuously. This being the case, the Group is subject to the impacts of fluctuations in the relative value of these currencies to the euro when they are translated into euros in its consolidated financial statements: for example, when the euro appreciates against these currencies it reduces the earnings contribution from subsidiaries whose financial statements are denominated in these currencies.

All revenues and expenses of Group subsidiaries are generally expressed in their local currency, with the exception of imports, exports and financial transactions covered by centralized foreign currency hedges: Bonduelle estimates that its local exposure to currency fluctuations was and will remain slight.

The Group's international growth strategy is increasing the relative weight of non-euro zone activities in revenues, operating income and consolidated net income.

- Hedging policy for currency risk

The goal is to hedge, on a budgeted annual basis, all risks relating to the sales of the Group's subsidiaries denominated in a currency other than their functional currency, and the risks regarding the net assets of certain subsidiaries conducting business in countries with a functional currency other than the euro.

The Group uses over-the-counter financial instruments exclusively to hedge the financial risks generated by its production and sales activities. All hedging transactions entered into must comply with the objectives and procedures established by the Bonduelle group's senior management. These transactions are centralized within Group Treasury.

The Group's policy regarding fluctuations in foreign exchange rates consists of periodically calculating its net exposure to foreign currencies and using financial derivatives to reduce this risk.

The Group makes use above all of forward foreign exchange contracts, foreign currency swaps and options entered into with highly-rated bank counterparties. An analysis of the portfolio at June 30, 2009 is provided in Note 20.

2. Interest rate risk

The interest rate risk management strategy is centrally coordinated, controlled and managed in order to protect future cash flows and reduce the volatility of financial expenses. The Group employs the various instruments available in the market, and notably interest rate options and swaps. The details of the portfolio at June 30, 2009 are provided in Note 20.

3. Credit risk

Because of the high quality of its main clients, who are primarily in the grocery retail sector and are widely dispersed throughout the world, the Group considers that it does not have a material exposure to credit risk.

Because the Group's trade and other accounts receivable are highly liquid, their fair value is considered to be the same as their carrying amount.

4. Counterparty risk

As exposure to counterparty risk lies generally with a company's financial assets, and therefore with any cash surplus it may have, the Group works only with highly-rated bank counterparties. Any occasional cash surpluses are generally deposited in short-term interest-bearing accounts.

5. Raw materials risk

Bonduelle Group's decisions in setting up its industrial sites have always favored the best agricultural soils and the geographical diversification of its supply network, allowing the Group to reduce the weather-related risks inherent to cultivation.

Furthermore, there is no organized market for raw materials purchased by Bonduelle. Nevertheless, the trend in prices of agricultural raw materials quoted on a market has variable impact on the purchase prices paid by the Group depending on the agricultural choices presented to producers. In order to perpetuate its vegetables sourcing, Bonduelle negotiates every year with producers' organizations long before the harvests, on the basis of a net margin by hectare for the producer.

Bonduelle is thus constrained to pass along into its sales prices any changes resulting from its negotiation of vegetable purchase prices in the different supply regions.

C. Equity management

Bonduelle strives to continuously optimize its financial structure by respecting the balance between its net financial liabilities and its equity and by paying regular dividends. This helps the Group lower its cost of capital, maximize shareholder value and dividend growth, and maintain the financial flexibility needed to take advantages of all opportunities that arise.

At June 30, 2009, Bonduelle had total equity of 379.6 million euros, on which basis the Board of Directors proposed a dividend per share of 1.50 euros.

Bond issues are subject to financial covenants, including in particular:

- an early call clause in the event Bonduelle should default on any of its financial liabilities (cross default) and in the event that the Group's non-current debt should exceed 60% of its long-term capital*;
- consolidated current assets must be greater than or equal to 1.10x consolidated current liabilities.

At June 30, 2009, the Group was in compliance with these covenants.

* (total equity + non-current financial liabilities)

Note 4: Changes in scope of consolidation

4.1 Sale of Frikoni

Frikoni, a company consolidated using the equity method, was sold to the minority shareholders on July 1, 2008. The sale did not have a material impact on the consolidated financial statements at June 30, 2009.

4.2 Acquisition of 100% of the equity of La Corbeille in Belgium

On November 18, 2008, Bonduelle acquired full control of La Corbeille, the independent Belgian specialist in the canning and jarring of vegetables.

La Corbeille is headquartered in Westmeerbeek and has three production facilities (Westmeerbeek, Rijkvorschel and Stabroek), all in the province of Anvers.

La Corbeille's geographical positioning, its sales volumes in Germany and strong market presence in jars and applesauce are all highly complementary to Bonduelle's existing operations.

Analysis of fair values and cash flows on the acquisition of La Corbeille:

In thousands of euros

	November 2008 Carrying amount - pre-acquisition	November 2008 Fair value of net assets acquired
Non-current assets	15,482	24,853
Current assets	51,635	52,868
Non-current liabilities	7,485	12,542
Current liabilities	49,367	49,367
Net assets acquired	10,265	15,812
Negative goodwill		3,715
Purchase price		12,097
Cash and cash equivalents acquired		1,023
Cash used to acquire La Corbeille		11,074

At June 30, 2009, the most significant restatements made to the carrying amounts of the La Corbeille group companies were for employee benefit obligations, inventories and land.

In accordance with IFRS 3, paragraph 56, the excess of the acquirer's interest in the fair value of the identifiable assets and liabilities of the La Corbeille group over the cost of the acquisition, or "negative goodwill," was recognized immediately as a non-recurring item.

Pro forma information has not been provided in respect of IFRS 3.

4.3 Acquisitions of minority interest from EBRD

On March 31, 2009, Bonduelle acquired the EBRD's 30% minority interest in Bonduelle Kuban. The value of the goodwill recognized is shown in Note 14.

4.4 Alliance with Gelagri

Bonduelle has signed a memorandum of understanding with the Coopagri group and the Gelagri companies for the pooling of private label frozen foods operations in Western Europe.

Coopagri is a diversified cooperative group based in the Brittany region of France; Gelagri is its frozen foods subsidiary.

Bonduelle and Coopagri established an alliance through Gelagri's four companies in France and Spain. Operations started up during the fourth quarter of the 2008/2009 financial year.

The four companies are consolidated using the equity method; at June 30, 2009, the shares were valued at 9,501 thousand euros.

This alliance did not have a material impact on the Group's income or net assets as reported in the consolidated financial statements at June 30, 2009.

Note 5: Segment reporting

In thousands of euros

	European Area	Out of European Area	Eliminations	Total at June 30, 2008
INCOME STATEMENT				
Revenue	1,194,518	347,067	(51,438)	1,490,147
Inter-segment sales	(51,385)	(53)	51,438	0
TOTAL	1,143,134	347,014	0	1,490,147
Depreciation, amortization and impairment	(57,196)	(9,237)		(66,433)
Operating income from continuing operations	52,796	47,585		100,381
Operating income	52,937	45,673		98,610
BALANCE SHEET				
Non-current assets	429,302	124,536		553,838
<i>o.w. Property, plant and equipment</i>	286,620	94,609		381,228
<i>o.w. Net investments and intangible assets</i>	65,219	6,601		71,820
<i>o.w. Goodwill</i>	75,741	25,576		101,317
<i>o.w. Brands</i>	28,215	2,016		30,231
Current assets	749,979	156,836		906,815
TOTAL CONSOLIDATED ASSETS	1,179,281	281,372		1,460,653
Equity				391,168
Non-current liabilities	285,688	120,451		406,140
<i>o.w. financial liabilities</i>				347,329
Current liabilities	607,081	56,264		663,345
TOTAL CONSOLIDATED EQUITY AND LIABILITIES	1,179,281	281,372		1,460,653

In thousands of euros

	European Area	Out of European Area	Eliminations	Total at June 30, 2009
INCOME STATEMENT				
Revenue	1,193,725	367,189	(36,965)	1,523,949
Inter-segment sales	(36,601)	(364)	36,965	(0)
TOTAL	1,157,124	366,825	0	1,523,949
Depreciation, amortization and impairment	(57,415)	(9,794)		(67,209)
Operating income from continuing operations	44,021	57,711		101,732
Operating income	41,583	57,711		99,294
BALANCE SHEET				
Non-current assets	431,570	140,189		571,759
<i>o.w. Property, plant and equipment</i>	283,265	95,306		378,571
<i>o.w. Net investments and intangible assets</i>	57,217	10,574		67,791
<i>o.w. Goodwill</i>	75,741	39,654		115,395
<i>o.w. Brands</i>	28,215	1,975		30,190
Current assets	737,239	177,546		914,785
TOTAL CONSOLIDATED ASSETS	1,168,808	317,735		1,486,543
Equity				379,643
Non-current liabilities	411,127	116,063		527,190
<i>o.w. financial liabilities</i>				462,134
Current liabilities	483,518	96,192		579,710
TOTAL CONSOLIDATED EQUITY AND LIABILITIES	1,168,808	317,735		1,486,543

Information by segment

In thousands of euros

	Canned/ Frozen	Packaged fresh	Other	Total 2007/ 2008
INCOME STATEMENT				
Revenue - excluding intercompany	1,129,853	360,294		1,490,147
TOTAL	1,129,853	360,294		1,490,147
BALANCE SHEET				
Goodwill	27,514	72,940	863	101,317
Brands	30,231			30,231

In thousands of euros

	Canned/ Frozen	Packaged fresh	Other	Total 2008/ 2009
INCOME STATEMENT				
Revenue - excluding intercompany	1,187,128	336,821		1,523,949
TOTAL	1,187,128	336,821		1,523,949
BALANCE SHEET				
Goodwill	41,592	72,940	863	115,395
Brands	30,190			30,190

Information by geographical region	2007/2008		2008/2009	
France	540,361	36%	549,452	36%
North America	224,600	15%	229,009	15%
Italy	184,872	12%	174,883	11%
Germany	157,488	10%	166,428	11%
Eastern Europe (1)	102,892	7%	116,105	8%
Benelux	83,295	6%	101,325	7%
Iberian peninsula	106,493	7%	91,198	6%
Central Europe (2)	70,010	5%	71,248	5%
Other	20,135	1%	24,299	2%
TOTAL REVENUE	1,490,146	100%	1,523,949	100%

(1) Eastern Europe: Russia + former Soviet republics

(2) Central Europe: former Eastern European countries that have joined the European Union

Note 6: Purchases and external charges

In thousands of euros

	2007/2008	2008/2009
Purchases of goods for resale and other supplies	(685,184)	(756,586)
Production in inventory	9,703	93,716
Changes in inventories of goods for resale and other supplies	15,350	24,286
Other external charges	(376,198)	(401,414)
TOTAL PURCHASES AND EXTERNAL CHARGES	(1,036,329)	(1,039,997)

Note 7: Compensation and headcount

In thousands of euros and number of employees

	2007/2008	2008/2009
Personnel costs for consolidated companies	294,856	301,415
Average annual headcount	8,008	8,386
Employees with long-term employment contracts	6,592	6,532

Note 8: Other operating income and expenses

In thousands of euros

	2007/2008	2008/2009
Operating services	8,861	6,598
Reversals of provisions and impairment	11,803	9,438
Other operating income	30,441	29,558
TOTAL OTHER OPERATING INCOME	51,105	45,594

	2007/2008	2008/2009
Taxes other than on income	(26,656)	(24,981)
Charges to provisions and impairment	(14,100)	(26,226)
Other operating expenses	(2,496)	(7,967)
TOTAL OTHER OPERATING EXPENSES	(43,252)	(59,175)

Note 9: Non-recurring items

In thousands of euros

	2007/2008	2008/2009
Badwill	1,499	3,715
Impact of valuing inventories at fair value on the acquisition date	(1,912)	(1,233)
Reorganization and restructuring costs	(1,358)	(6,354)
Insurance settlements (net)		1,434
TOTAL NON-RECURRING ITEMS	(1,771)	(2,438)

Note 10: Net financial expenses

Bonduelle had 60.8 million euros in net financial expenses during the year ended June 30, 2009, compared with 25 million euros the previous year.

In thousands of euros

		2007/2008	2008/2009
Cost of net financial debt	A	-26 635	-26 984
Cash and cash equivalents		782	701
Interest expense (at effective interest rate)		-28 115	-27 244
Gains and losses on liabilities covered by fair value hedges		13 772	-6 801
Gains and losses on fair value hedging derivatives		-13 074	6 360
Other financial income and expenses	B	1 645	-33 788
Net foreign exchange gain (loss)		2 847	-8 725
Ineffective portion of cash flow hedges		-1 804	-1 341
Net gain (loss) on derivatives ineligible for hedge accounting (foreign currency & interest rate risk)		985	-23 002
Other financial expenses		-384	-720
Net financial expenses	A+B	-24 990	-60 772

Net financial expenses are comprised of three main items: the **effective cost of debt**, **items related to the valuation methods used for accounting purposes** (primarily IFRS restatements) and the **impact of changes in exchange rates**:

The cost of debt was unchanged at 27 million euros, including notably:

- An increase in outstanding debt, reflecting the Group's continuing expansion through the acquisition of La Corbeille in November, and an increase in working capital requirements; which was offset by
- A favorable movement in interest rates: during the first half of the financial year, the existing hedging instruments enabled Bonduelle to limit the impact of the rise in interest rates effectively paid due to the sharp hike in Euribor rates (through November). In the second half, the Group benefited from a large part of the fall in short-term rates during the period. For the full 12 months, the effective interest rate paid by the Group on its debt fell from 4.75% to 4.19%.

The 34 million euros in net other financial expenses reflects primarily the impact of IAS 32 and IAS 39 on the fair values of the interest rate and currency instruments used to hedge the Group's debt and foreign currency exposure.

While justifiable from an economic standpoint, these hedging instruments did not meet all of the criteria required for hedge accounting as defined by the applicable IFRS. Accordingly, changes in the fair value of these instruments must be recognized through profit or loss.

The sharp drop in Euribor rates at the end of 2008 contributed to a 14 million euro plunge in the value of the Group's interest rate hedges in the first half of 2008/2009, and the continued decline of rates during the second half generated an additional unrealized loss of 3.6 million euros. The total impact was a non-cash 'accounting' charge of 17.6 million euros for the financial year ended June 30, 2009.

Bonduelle reported an 8.7 million euro net foreign exchange loss (excluding the impact of IFRS), due notably to the Group's local-currency financing of its subsidiaries in countries whose foreign exchange and interest rates fluctuated in a particularly erratic fashion (Hungary, Russia, Poland, etc.).

As required by IFRS 7, the Group measured the sensitivity of its exposure to material changes in interest and foreign exchange rates.

The scope of the interest rate sensitivity calculations included all financial instruments, both debt and derivatives. The calculations were made assuming a uniform shift of +/- 100 bp in the yield curve at the balance sheet date. The market values of the instruments were obtained from the valuation platforms used by the Finance Department, and market data are populated using real-time information systems (Reuters, etc.).

ANALYSIS OF INTEREST RATE SENSITIVITY

(in thousands of euros)	Change in interest rates			
	+100 bp		-100 bp	
	Equity	Income	Equity	Income
Interest on debt		(5,866)		5,996
Mark-to-market valuation of debt		6,478		(6,845)
DEBT	0	611	0	(849)
Financial income from interest rate derivatives		3,634		(3,777)
Mark-to-market valuation of interest rate derivatives	6,025	(4,080)	(6,071)	3,421
INTEREST RATE DERIVATIVES	6,025	(446)	(6,071)	(356)
TOTAL	6,025	166	(6,071)	(1,205)

- A 100 bp increase in interest rates would have reduced annual financial expenses by 0.2 million euros (9.3 million euros in 2007/2008)
- Inversely, a 100 bp decrease in interest rates would have increased financial expenses by 1.2 million euros (7.4 million euros in 2007/2008)

The same valuation methods used to measure interest rate sensitivity (information systems and valuation platforms, etc.) are used to measure the Group's exposure to changes in the currencies it uses for business and financing purposes (USD, HUF, CAD, RUB, PLN, etc.). The scope includes all balance sheet liabilities and receivables, those portions of trade-related flows expected to be generated during the period hedged, and all derivative instruments used to hedge foreign currency exposures.

Because this consists essentially of hedges of trading flows denominated in foreign currencies, the flows hedged and the associated hedging instruments generally mature in less than one year.

A +/- 5% change in the value of the euro against the main foreign currencies was used.

ANALYSIS OF SENSITIVITY TO CHANGES IN EXCHANGE RATES (EXCLUDING SUBSIDIARIES NET EQUITY)

Net position (in thousands of euros)	Change in exchange rates			
	+5% change in parity		-5% change in parity	
	Equity	Income	Equity	Income
USD/EUR	13	-288	-13	306
HUF/EUR	112	188	-120	-208
RUB/EUR	40	-65	-68	76
USD/CAD	10	0	-11	0
Other	-24	-47	13	17
TOTAL	141	-212	-188	191

Note 11: Income tax

1) Analysis of net interest expense

Total income tax expenses may be analyzed in the following manner:

	2007/2008	2008/2009
Average tax rate	29,73%	30,04%

2) Reconciliation of income tax and income before tax

In thousands of euros

	2007/2008	%	2008/2009	%
Net income - Group share	51 160		26 552	
Minority interests	680		96	
Income from associates	(110)		(300)	
Income tax	21 889		11 574	
INCOME BEFORE TAX	73 620		38 522	
Income tax at statutory rate	25 347	34,4%	13 263	34,4%
Reconciliation:				
Permanent differences	849	1,2%	(318)	(0,8%)
Difference in tax rates (non-French countries)	(5 497)	(7,5%)	(4 299)	(11,2%)
Impact of tax loss carryforwards and other	1 190	1,6%	2 927	7,6%
CURRENT INCOME TAX	21 889	29,7%	11 573	30,0%

3) Deferred taxes

In thousands of euros

	At June 30, 2008	At June 30, 2009
Provisions and non-current assets	2,826	2,142
Margin in inventory	1,108	1,368
Tax loss carryforwards *	9,350	5,613
Accelerated depreciation and regulated provisions	(17,866)	(20,452)
Other	(13,728)	(4,638)
NET DEFERRED TAX ASSETS	(18,311)	(15,968)

* Due to income-generating prospect for the companies concerned.

The tax loss carryforwards for which no deferred tax asset has been recorded amounted to 52.6 million euros at June 30, 2009, compared with 30.3 million euros at June 30, 2008.

CHANGES IN NET DEFERRED TAX ASSETS

	2007/2008	2008/2009
AT JULY 1	(2,387)	(18,311)
Translation adjustments	832	885
Acquisition of subsidiaries	(7,745)	(3,148)
Taxes recognized through profit or loss	(6,365)	2,720
Taxes recognized through equity	(2,646)	1,885
AT JUNE 30	(18,311)	(15,968)

Note 12: Basic earnings per share

In thousands of euros

	2007/2008	2008/2009
Net income - Group share (in thousands of euros)	51,160	26,552
Number of shares used to calculate:		
. Basic earnings per share	7,645,072	7,609,047
. Fully-diluted earnings per share	7,655,267	7,609,047
EARNINGS PER SHARE (in euros)		
. Basic	6.69	3.49
. Fully-diluted	6.68	3.49

The Shareholders' Meeting has proposed a dividend of 1.50 euros per share.

At June 30, 2009, the share capital of Bonduelle SCA was made up of 8 million shares with a par value of 7 euro per share.

Note 13: Other intangible assets

Analysis of changes in gross values, amortization and impairment:

	At June 30, 2007	Acquisition or charge	Sale, disposal or recovery	Other (1)	In thousands of euros At June 30, 2008
GROSS CARRYING AMOUNT					
Trademarks, patents and licenses	30,060	51	(15)	2,054	32,150
Software	32,205	1,139	(10)	3,727	37,061
Other	358	67		910	1,335
Intangible assets under construction	1,395	3,171		(3,558)	1,008
	64,018	4,429	(25)	3,133	71,555
ACCUMULATED AMORTIZATION AND IMPAIRMENT					
Trademarks, patents and licenses	1,704	60	(15)	17	1,766
Software	19,153	5,283	(10)	1	24,427
Other	271	66		28	365
	21,128	5,410	(25)	46	26,558
NET CARRYING AMOUNT					
Trademarks, patents and licenses	28,357				30,385
Software	13,052				12,634
Other	87				970
Intangible assets under construction	1,395				1,008
	42,890				44,996

(1) Change in scope, translation adjustments and transfers between lines

	At June 30, 2008	Acquisition or charge	Sale, disposal or recovery	Other (1)	In thousands of euros At June 30, 2009
GROSS CARRYING AMOUNT					
Trademarks, patents and licenses (3)	32,150	277	(48)	(95)	32,284
Software	37,061	421	0	2,151	39,633
Other	1,335	6		(179)	1,162
Intangible assets under construction	1,008	1,893		(2,027)	874
	71,555	2,596	(48)	(150)	73,953
ACCUMULATED AMORTIZATION AND IMPAIRMENT					
Trademarks, patents and licenses	1,766	90	(48)	(46)	1,762
Software	24,427	5,122	0	89	29,639
Other	365	39		(92)	312
	26,558	5,251	(48)	(49)	31,713
NET CARRYING AMOUNT					
Trademarks, patents and licenses	30,385				30,522
Software	12,634				9,995
Other	970				850
Intangible assets under construction	1,008				874
	44,996				42,241

(1) Change in scope, translation adjustments and transfers between lines

(3) Carrying amounts of trademarks (in thousands of euros): Cassegrain (20,215), Salto (7,000), Arctic Gardens (2,016) and Frudesa (1,000)

Note 14: Goodwill

Analysis of changes in goodwill:

	At June 30, 2007	Acquisition or charge	Sale, disposal or recovery	Other (1)	In thousands of euros At June 30, 2008
GROSS CARRYING AMOUNT	75,312	28,349	0	(2,344)	101,317
Impairment	0	0	0	0	0
NET CARRYING AMOUNT	75,312	28,349	0	(2,344)	101,317
	At June 30, 2008	Acquisition or charge (2)	Sale, disposal or recovery	Other (3)	In thousands of euros At June 30, 2009
GROSS CARRYING AMOUNT	101,317	15,695	0	(1,617)	115,395
Impairment	0	0	0	0	0
NET CARRYING AMOUNT	101,317	15,695	0	(1,617)	115,395

(1) Translation loss on Bonduelle Canada: 2,344 thousand euros

(2) Goodwill increased for Kuban (9,821 thousand euros) and FTF/OFL (5,875 thousand euros)

(3) Translation adjustments

Note 15: Property, plant and equipment

Analysis of changes in property, plant and equipment

In thousands of euros

	At June 30, 2007	Acquisition or charge	Sale, disposal or recovery	Other (1)	At June 30, 2008
GROSS CARRYING AMOUNT					
Land	27,631	411	(1,110)	7,118	34,050
Buildings	243,637	5,218	(7,039)	50,320	292,136
Industrial plant, tools and equipment	491,179	24,711	(14,195)	90,870	592,565
Other	32,964	3,986	(2,336)	7,109	41,723
Property, plant and equipment under construction	29,535	36,270	(3)	(30,423)	35,379
	824,946	70,597	(24,685)	124,994	995,853
ACCUMULATED DEPRECIATION AND IMPAIRMENT					
Land	6,169	451	(789)	294	6,124
Buildings	152,925	15,536	(6,076)	11,601	173,986
Industrial plant, tools and equipment	344,814	39,960	(13,674)	33,022	404,122
Other	23,113	4,648	(1,256)	3,800	30,304
Property, plant and equipment under construction	89	438	0	(438)	89
	527,109	61,034	(21,796)	48,278	614,625
NET CARRYING AMOUNT					
Land	21,462				27,926
Buildings	90,712				118,150
Industrial plant, tools and equipment	146,366				188,444
Other	9,852				11,419
Property, plant and equipment under construction	29,447				35,290
	297,838				381,228

(1) Translation adjustments and transfers between lines

(1) Including Bonduelle Canada with gross carrying amount of 156,843 thousand euros and 71,025 thousand euros in accumulated depreciation

	At June 30, 2008	Acquisition or charge	Sale, disposal or recovery	Other (2)	At June 30, 2009
GROSS CARRYING AMOUNT					
Land	34,050	394	(17)	9,871	44,297
Buildings	292,136	7,288	(1,321)	11,480	309,583
Industrial plant, tools and equipment	592,565	24,502	(13,337)	17,292	621,022
Other	41,723	3,713	(4,384)	4,259	45,312
Property, plant and equipment under construction	35,379	27,055	(696)	(37,876)	23,862
	995,853	62,952	(19,756)	5,027	1,044,076
ACCUMULATED DEPRECIATION AND IMPAIRMENT					
Land	6,124	466	(16)	(19)	6,555
Buildings	173,986	15,533	(1,276)	5,338	193,582
Industrial plant, tools and equipment	404,122	41,018	(11,554)	(1,611)	431,975
Other	30,304	4,947	(2,771)	912	33,393
Property, plant and equipment under construction	89	0	(89)	0	0
	614,625	61,965	(15,705)	4,620	665,505
NET CARRYING AMOUNT					
Land	27,926				37,742
Buildings	118,150				116,001
Industrial plant, tools and equipment	188,444				189,047
Other	11,419				11,919
Property, plant and equipment under construction	35,290				23,862
	381,228				378,571

(2) Including La Corbeille with gross carrying amount of 62,861 thousand euros and 39,537 thousand euros in accumulated depreciation.

Including translation adjustments of -19,347 thousand euros to gross carrying amount and 9,489 thousand euros to accumulated depreciation

Including Gelagri with translation adjustments of -37,410 thousand euros to gross carrying amount and +23,568 thousand euros to accumulated depreciation

The rest consists mainly of transfers between lines

The gross and net carrying amounts of assets acquired or refinanced under finance leases amounted to 57.8 million and 12.7 million euros, respectively, at June 30, 2009 (55 million and 12.5 million euros, respectively, at June 30, 2008)

Note 16: Analysis of financial assets and liabilities by category

At June 30, 2008

<i>In thousands of euros</i>	Carrying amount	Fair value	Financial assets within the application scope of IAS 39 on financial instruments			Assets excluded from the application scope of IAS 39 on financial instruments
			Loans and receivables	Fair value through equity	Fair value through profit or loss	
NON-CURRENT ASSETS						
Other non-current financial assets	10,657	10,657	2,522	5,104	3,032	
Participating interests	234	234	234			
Derivative instruments	8,136	8,136		5,104	3,032	
Other non-current financial assets	2,288	2,288	2,288			
Other non-current assets	2,176	2,176	224			1,951
Other non-current receivables	224	224	224			
Deferred expenses	1,951	1,951				1,951
CURRENT ASSETS						
Trade and other accounts receivable	379,710	379,710	379,710			
Other current assets	3,939	3,939	231			3,708
Non-consolidated loans and receivables	222	222	222			
Deferred expenses	3,708	3,708				3,708
Other assets	9	9	9			
Derivative instruments	17,288	17,288		247	17,041	
Cash and cash equivalents	93,674	93,674	93,674			

At June 30, 2008

<i>In thousands of euros</i>	Carrying amount	Fair value	Financial liabilities within the application scope of IAS 39 on financial instruments			Liabilities excluded from the application scope of IAS 39 on financial instruments
			Amortized cost	Fair value through equity	Fair value through profit or loss	
NON-CURRENT LIABILITIES						
Financial liabilities	347,328	354,340	341,388	2,628	3,312	
Debt excluding derivatives	307,033	314,045	341,388		(34,355)	
Derivative instruments	40,295	40,295		2,628	37,667	
Other non-current financial liabilities	11,498	11,498	3,612			7,886
Investment grants	7,886	7,886				7,886
Other	3,612	3,612	3,612			
CURRENT LIABILITIES						
Trade and other accounts payable	473,529	473,529	473,529			
Current financial liabilities	180,816	181,415	176,254	876	3,686	
Debt excluding derivatives	167,006	167,605	176,254		(9,248)	
Derivative instruments	13,810	13,810		876	12,934	
Other current financial liabilities	1,037					1,037
Deferred income and other accrual accounts	1,037					1,037

At June 30, 2009

<i>In thousands of euros</i>	Carrying amount	Fair value	Financial assets within the application scope of IAS 39 on financial instruments			Assets excluded from the application scope of IAS 39 on financial instruments
			Loans and receivables	Fair value through equity	Fair value through profit or loss	
NON-CURRENT ASSETS						
Other non-current financial assets	12,051	12,051	3,140	1,160	7,750	
Participating interests	250	250	250			
Derivative instruments	8,910	8,910		1,160	7,750	
Other non-current financial assets	2,890	2,890	2,890			
Other non-current assets	780	780	780			
Other non-current receivables	780	780	780			
CURRENT ASSETS						
Trade and other accounts receivable	320,547	320,547	320,547			
Other current assets	5,627	5,627	379			5,248
Non-consolidated loans and receivables	370	370	370			
Deferred expenses	5,248	5,248				5,248
Other assets	9	9	9			
Derivative instruments	5,344	5,344		1,395	3,949	
Cash and cash equivalents	62,676	62,676	62,676			

At June 30, 2009

<i>In thousands of euros</i>	Carrying amount	Fair value	Financial liabilities within the application scope of IAS 39 on financial instruments			Liabilities excluded from the application scope of IAS 39 on financial instruments
			Amortized cost	Fair value through equity	Fair value through profit or loss	
NON-CURRENT LIABILITIES						
Financial liabilities	462,134	467,282	447,866	5,934	8,334	
Debt excluding derivatives	437,644	442,792	447,866		(10,222)	
Derivative instruments	24,490	24,490		5,934	18,556	
Other non-current financial liabilities	5,534	5,534	776			4,759
Investment grants	4,759	4,759	776			4,759
Other	776	776	776			
CURRENT LIABILITIES						
Trade and other accounts payable	445,177	445,177	445,177			
Current financial liabilities	127,387	130,444	113,163	4,307	9,917	
Debt excluding derivatives	106,415	109,473	113,163		(6,747)	
Derivative instruments	20,971	20,971		4,307	16,664	
Other current financial liabilities	2,842					2,842
Deferred income and other accrual accounts	2,842					2,842

Note 17: Other non-current financial assets

Analysis of changes in gross carrying amounts and impairment:

In thousands of euros

	At June 30, 2007	Acquisition or charge	Sale or recovery	Other (1)	At June 30, 2008
GROSS CARRYING AMOUNT (3)					
Participating interests	175	64			239
Derivative instruments	514	7,621			8,135
Other non-current financial assets	1,964	534	(38)	(16)	2,443
	2,653	8,218	(38)	(16)	10,817
IMPAIRMENT					
Participating interests	5				5
Other non-current financial assets	155				155
	160	0	0	0	160
NET CARRYING AMOUNT					
Participating interests	170	64			234
Derivative instruments	514	7,621			8,135
Other non-current financial assets	1,809	534	(38)	(16)	2,288
	2,493	8,218	(38)	(16)	10,657

	At June 30, 2008	Acquisition or charge	Sale or recovery	Other (1)	At June 30, 2009
GROSS CARRYING AMOUNT					
Participating interests (2)	239	25		(7)	256
Derivative instruments	8,135	775			8,910
Other non-current financial assets	2,443	977	(453)	76	3,045
	10,817	1,777	(453)	69	12,211
IMPAIRMENT					
Participating interests (2)	5				5
Other non-current financial assets	155				155
	160	0	0	0	160
NET CARRYING AMOUNT					
Participating interests (2)	234	25		(7)	251
Derivative instruments	8,135	775			8,910
Other non-current financial assets	2,288	977	(453)	76	2,890
	10,657	1,777	(453)	69	12,051

(1) Translation adjustments and transfers between lines

(2) This heading represents the carrying amount of the main holdings of companies that are not consolidated by the Group

(3) The valuation principles are set out in Note 2

Note 18: Inventories and work-in-process

In thousands of euros

	Gross	Impairment	Net carrying amount at June 30, 2008	Gross	Impairment	Net carrying amount at June 30, 2009
Materials and packaging	109,972	(1,125)	108,847	121,805	(1,692)	120,113
Finished goods	296,308	(10,307)	286,000	403,695	(13,483)	390,213
	406,280	(11,433)	394,847	525,500	(15,174)	510,326

Analysis of provisions for impairment of inventories and work-in-process:

Materials and packaging	At June 30, 2008	At June 30, 2009
Opening balance	(1,080)	(1,125)
Additions	(180)	(1,011)
Recoveries	137	333
Translation adjustments and other	(2)	112
Closing balance	(1,125)	(1,692)

Finished goods	At June 30, 2008	At June 30, 2009
Opening balance	(4,284)	(10,307)
Additions	(2,876)	(5,176)
Recoveries	1,069	1,224
Translation adjustments and other (1)	(4,216)	777
Closing balance	(10,307)	(13,483)

(1) At June 30, 2008: including 4,529 thousand euros in inventory impairment newly consolidated in the Bonduelle Canada scope

Note 19: Trade and other accounts receivable

Analysis of trade and other accounts receivable:

In thousands of euros

	Gross	Impairment	Carrying amount at June 30, 2008	Gross	Impairment	Carrying amount at June 30, 2009
Trade accounts receivable	262,675	(4,599)	258,075	222,813	(9,987)	212,827
Tax and social security receivables	61,335	0	61,335	39,705	0	39,705
Other receivables	62,386	(2,086)	60,300	68,684	(668)	68,015
TOTAL TRADE AND OTHER ACCOUNTS RECEIVABLE	386,396	(6,685)	379,710	331,202	(10,655)	320,547

Changes in impairment of trade and other accounts receivable

Trade accounts receivable:	At June 30, 2008	At June 30, 2009
Opening balance	(9,267)	(4,599)
Charges	(2,059)	(8,212)
Reversals	7,100	3,130
Translation adjustments and other (1)	(373)	(305)
Closing balance	(4,599)	(9,987)
Other accounts receivable:	At June 30, 2008	At June 30, 2009
Opening balance	(6,200)	(2,086)
Charges	(276)	(149)
Reversals	85	1,543
Translation adjustments and other (1)	4,305	24
Closing balance	(2,086)	(668)

(1) At June 30, 2009: including 1,154 thousand euros on the new consolidation of La Corbeille. The balance represents translation adjustments

(2) At June 30, 2008: including 4,312 thousand euros on the merger of Duvet

Maturity analysis of trade and other accounts receivable

	At June 30, 2008	At June 30, 2009
Not yet due	169,764	156,762
Past due		
- less than 30 days	50,456	36,763
- between 30 and 90 days	25,662	16,672
- over 90 days	12,193	2,629
TOTAL TRADE AND OTHER ACCOUNTS RECEIVABLE	258,075	212,827

Note 20: Financial derivatives

The Group uses over-the-counter derivatives to manage its exposure to currency and interest rate risk. Group policy precludes employees from engaging in speculative transactions on the financial markets.

Interest rate derivatives

Fair value hedges

The Group has issued three fixed-rate bonds, which were swapped to variable-rate at the time the bonds were issued. These swaps meet the criteria required for fair value hedge accounting within the meaning of IAS 39. The underlying debt and the swaps are recognized in the balance sheet at their market value.

Cash flow hedges

In July 2007 and April 2009, the Group also issued two variable-rate bonds with redeemable share subscription and/or purchase warrants (OBSAAR), the first for 150 million euros and the second for 140 million euros. Bonduelle then hedged a portion of the debt using options and forward contracts. As the effectiveness of the hedging relationship has been validated using prospective tests, all changes in the fair value of these instruments are booked directly to equity.

Hedges ineligible for hedge accounting under IFRS

The Group's debt also includes bonds swapped into a variable interest rate. The Group is therefore exposed to increases in euro interest rates. To hedge this risk, the Group has set in place tunnel-type options that protect it against any increase in interest rates above an average of 3.82% over an average maturity of one and a half years. However, as this tunnel is used to hedge debt that was swapped from the outset, none of these derivatives qualify for hedge accounting of future cash flows within the meaning of IAS 39. They have

accordingly been classified in held-for-trading instruments, and all changes in their fair value are taken into profit or loss for the period.

Foreign currency derivatives

Fair value hedges

In 2000, the Group issued a bond with a par value of 150 million U.S. dollars (outstanding principal balance of 90 million U.S. dollars at June 30, 2009). Because of this, the Group is exposed to changes in the value of this debt produced by changes in the euro/dollar exchange rate. Forward currency options and cross currency swaps, qualified for hedge accounting within the meaning of IAS 39, have been set in place to hedge 100% of the residual nominal value of this risk.

Cash flow hedges

Nearly all of the Group's sales are in euros. However, in certain countries, the Group may issue invoices denominated in foreign currencies, mostly the U.S. dollar, Canadian dollar, Hungarian forint, Russian ruble and Polish zloty. The Group publishes its financial statements in euros, and changes in the value of these currencies against the euro may impact consolidated net income. To limit the sensitivity of its earnings to changes in exchange rates, the Group sets in place cash flow hedges using foreign currency forwards and options.

Furthermore, the cross currency swap set in place to hedge the 150 million U.S. dollar bond was entered into prior to the date on which the debt was issued, and on the date of issue had a fair value of negative 4.4 million euros. As this is a hedge of future cash flows, this amount was initially recognized in shareholders' equity. It is gradually transferred to profit or loss on each repayment of the borrowing: Bonduelle recognized 876 thousand euros in charges in 2008/2009, the same as in the previous year.

Hedges ineligible for IFRS hedge accounting

Some of the derivatives set in place by the Group to hedge future cash flows do not qualify for hedge accounting within the meaning of IAS 39. These consist primarily of out-of-the-money options.

In thousands of euros

Derivatives at June 30, 2008

INTEREST RATE DERIVATIVES	Notional amount	Market value		Carrying amount	
		Asset	Liability	Asset	Liability
Cash flow hedges	100 000	5 104		5 104	
Fair value hedges (swaps)	176 142	597	1 545	597	1 545
Hedges ineligible for IFRS hedge accounting	325 000	11 744	890	11 744	890
o.w. forward instruments: basis swaps	350 000	949		949	
o.w. options: caps	325 000	10 794	541	10 794	541
o.w. options: floors	-350 000		349		349
		Current portion		11 893	1 277
		Non-current portion		5 551	1 159

FOREIGN CURRENCY DERIVATIVES	Notional amount	Market value		Carrying amount	
		Asset	Liability	Asset	Liability
Cash flow hedges	179 303	2 832	5 941	2 832	5 941
o.w. forwards	116 568	247	3 505	247	3 505
o.w. options	62 735	2 584	2 437	2 584	2 437
Fair value hedges (forward contracts)	76 142		45 432	0	45 432
Hedges ineligible for IFRS hedge accounting	41 927	5148	296	5148	296
o.w. forwards	37 202	5019	296	5019	296
o.w. options	4 726	130		130	
		Current portion		5 396	12 533
		Non-current portion		2 584	39 136

Derivatives at June 30, 2009

INTEREST RATE DERIVATIVES (A)	Notional amount	Market value		Carrying amount	
		Asset	Liability	Asset	Liability
Cash flow hedges	250,000	583	4,182	583	4,182
Fair value hedges (swaps)	163,676	9,700	0	9,700	0
Hedges ineligible for IFRS hedge accounting	200,000	451	5,062	451	5,062
o.w. forward instruments: basis swaps	200,000	0	837	0	837
o.w. options: caps	275,000	451	0	451	0
o.w. options: floors	-275,000	0	4,226	0	4,226
		Current portion		2,401	5,062
		Non-current portion		8,333	4,182

FOREIGN CURRENCY DERIVATIVES (B)	Notional amount	Market value		Carrying amount	
		Asset	Liability	Asset	Liability
Cash flow hedges	196,868	1,973	6,059	1,973	6,059
o.w. forwards	187,003	1,818	6,029	1,818	6,029
o.w. forwards	9,865	155	30	155	30
Fair value hedges (forward contracts)	63,676	0	27,782	0	27,782
Hedges ineligible for IFRS hedge accounting	90,095	1,548	2,375	1,548	2,375
o.w. forwards	85,372	1,541	2,147	1,541	2,147
o.w. options	4,723	7	228	7	228
		Current portion		2,943	15,908
		Non-current portion		577	20,308

TOTAL DERIVATIVES (A + B)	Market value		Carrying amount	
	Asset	Liability	Asset	Liability
Current portion	5,344	20,971	5,344	20,971
Non-current portion	8,910	24,490	8,910	24,490

Group's net currency position less than one year *(excluding exposure on subsidiaries net equity)

Position (in thousands of euros)	At June 30, 2008		
	USD/EUR	HUF/EUR	USD/CAD
Net position before hedging	(13,159)	43,718	0
Net position after hedging	(11,629)	11,898	6,345

Position (in thousands of euros)	At June 30, 2009				
	USD/EUR	HUF/EUR	USD/CAD	RUB/EUR	OTHER
Net position before hedging	6,502	45,030	(27,650)	(11,222)	(19,934)
Net position after hedging	(665)	5,327	0	216	(1,781)

* Positions longer than one year are now fully hedged

- = Company is exposed to a decrease in the value of the currency

+ = Company is exposed to an increase in the value of the currency

Note 21: Net debt

1. Analysis by type of debt

1a. At June 30, 2008

In thousands of euros	Par value	< 1 year	1 to 5 years	> 5 years	TOTAL
Bonds	224,182	20,487	80,063	72,674	173,224
OBSAARs (see 2)	150,000	-	-	143,426	143,426
Finance leases	9,046	1,923	4,813	2,311	9,046
Other bank borrowings	5,034	3,360	1,492	182	5,034
Other borrowings and financial liabilities	2,189	117	2,072	-	2,189
Accrued interest	3,200	3,200	-	-	3,200
Current bank lines	137,921	137,921	-	-	137,921
Total gross debt before derivatives	531,572	167,006	88,440	218,594	474,040
Derivatives - Liabilities		13,810	35,860	4,435	54,105
Total gross debt after fair value of derivatives		180,816	124,300	223,029	528,145
Derivatives - Assets		17,288	3,032	5,104	25,424
Marketable securities	-	-	-	-	-
Cash	93,673	93,673	-	-	93,673
Total cash and cash equivalents	93,673	110,961	3,032	5,104	119,097
Total net debt		69,855	121,268	217,925	409,048

1b. At June 30, 2009

In thousands of euros	Par value	6 months	< 1 year	1 to 5 years	> 5 years	TOTAL
Bonds	193 793	-	23 036	86 702	60 869	170 606
OBSAARs (see 2)	290 000	-	-	280 778	-	280 778
Finance leases	8 027	913	913	4 101	2 099	8 027
Other bank borrowings	28 704	26 224	1 233	1 248	-	28 704
Other borrowings and financial liabilities	2 880	330	330	2 220	-	2 880
Accrued interest	4 307	4 307	-	-	-	4 307
Current bank lines	48 758	48 758	-	-	-	48 758
Total gross debt before derivatives	576 469	80 532	25 512	375 048	62 967	544 060
Derivatives - Liabilities		5 823	15 148	23 258	1 233	45 461
Total gross debt after fair value of derivatives		86 355	40 660	398 306	64 200	589 520
Derivatives - Assets		1 869	3 475	6 601	2 310	14 255
Marketable securities	-	-	-	-	-	-
Cash	62 676	62 676	-	-	-	62 676
Total cash and cash equivalents	62 676	64 545	3 475	6 601	2 310	76 930
Total net debt		21 810	37 185	391 705	61 890	512 590

2. Analysis of OBSAAR bonds by component

In thousands of euros	At June 30, 2008	At June 30, 2009
Option portion recognized in equity	5,475	8,680
o.w. OBSAAR 2007*	5,475	5,475
o.w. OBSAAR 2009*	-	3,205
Borrowings and financial liabilities	143,426	280,778
o.w. OBSAAR 2007	143,426	145,353
o.w. OBSAAR 2009	-	135,425

* Analysis of impact of portion of OBSAAR recognized in equity:

	OBSAAR 2007	OBSAAR 2009
Gross - impact on debt	5,475	3,205
Deferred taxes	(1,885)	(1,104)
Pro rata share of issuance costs	(27)	(24)
Net - impact on equity	3,563	2,077

Gross value includes:

- OBSAAR 2007: 750,000 BSAAR at €7.30 = 5,475 thousand euros
- OBSAAR 2009: 699,999 BSAAR at €4.58 = 3,205 thousand euros

3. Analysis of net debt by interest rate

In thousands of euros

Net financial liabilities

Before interest rate hedging

Fixed rate
Floating rate

After foreign currency hedging

Fixed rate
Floating rate
o.w. capped floating rate

	At June 30, 2008	At June 30, 2009
Net financial liabilities	409 048	512 590
Before interest rate hedging		
Fixed rate	243 651	237 711
Floating rate	165 398	274 879
After foreign currency hedging		
Fixed rate	19 469	243 918
Floating rate	389 580	268 672
o.w. capped floating rate	425 000	275 000

4. Analysis of net debt by foreign currency

In thousands of euros, after hedging

(-) = cash balances

EUR
USD
CAD
HUF
Other
Total

	At June 30, 2008	At June 30, 2009
EUR	400 144	513 535
USD	6 039	5 199
CAD	-26 321	-11 584
HUF	25 362	-646
Other	3 825	6 086
Total	409 048	512 590

Gross debt (*)

Opening balance
New debt
Repayments, decreases
Changes in scope
Changes in fair value
Translation adjustments
Closing balance

	At June 30, 2008	At June 30, 2009
Opening balance	360 358	528 145
New debt	160 089	140 350
Repayments, decreases	-38 540	-120 172
Changes in scope	53 313	23 264
Changes in fair value	-5 837	19 931
Translation adjustments	-1 238	-1 998
Closing balance	528 145	589 520

(*) including derivatives

5) Market value of financial assets and liabilities other than derivatives

At June 30, 2008:

	Nominal value	Market value	Carrying amount
LIABILITIES			
Debt			
Bonds	224 182	180 834	173 224
OBSAAR	150 000	143 426	143 426
Bank borrowings	14 080	14 080	14 080
Other borrowings and financial liabilities	2 189	2 189	2 189
Accrued interest	3 200	3 200	3 200
Current bank lines	137 921	137 921	137 921
Total	531 572	481 650	474 040
<i>Of which, debt covered by fair value hedges</i>		180 834	173 224
<i>Of which, debt covered by cash flow hedges</i>		95 618	95 618
ASSETS			
Marketable securities	-	-	-
Cash	93 673	93 673	93 673
Total	93 673	93 673	93 673

For all other financial assets and liabilities other than derivatives, both the market value and the carrying amount are equal to the nominal value.

At June 30, 2009:

	Nominal value	Market value	In thousands of euros	
			Carrying amount	
LIABILITIES				
Debt				
Bonds	193 793	178 811	170 606	
OBSAAR	290 000	280 778	280 778	
Bank borrowings	36 731	36 731	36 731	
Other borrowings and financial liabilities	2 880	2 880	2 880	
Accrued interest	4 307	4 307	4 307	
Current bank lines	48 758	48 758	48 758	
Total	576 469	552 265	544 060	
<i>Of which, debt covered by fair value hedges</i>		178 811	172 734	
<i>Of which, debt covered by cash flow hedges</i>		242 085	242 085	
ASSETS				
Marketable securities		-	-	
Cash	62 676	62 676	62 676	
Total	62 676	62 676	62 676	

For all other financial assets and liabilities other than derivatives, both the market value and the carrying amount are equal to the nominal value.

Analysis of bond issues

Maturity	Notional amount	Currency	< 1 year		1 to 5 years		> 5 years		TOTAL	
			PAR VALUE	INTEREST *	PAR VALUE	INTEREST *	PAR VALUE	INTEREST *	PAR VALUE	INTEREST *
Public issues	-									
Private placements										
2012	90 000	USD	30 000	7 677	60 000	7 677	-	-	90 000	15 354
2016	25 000	EUR	-	1 258	10 000	4 527	15 000	1 132	25 000	6 916
2017	75 000	EUR	-	3 113	30 000	11 828	45 000	3 735	75 000	18 675
OBSAAR 2007	150 000	EUR	-	1 162	150 000	3 566	-	-	150 000	4 727
OBSAAR 2009	140 000	EUR	-	2 439	140 000	9 559	-	-	140 000	12 058

* Amounts expressed in the issue currency, before interest rate hedging; Floating rate interest is calculated with reference to the Euribor rate of June 30, 2009

These issues are subject to financial covenants, including in particular an early call clause in the event Bonduelle should default on any of its financial liabilities (cross default) and if the following ratios are not met

- Non-current debt must not exceed 60% of long-term capital,
- Consolidated current assets must be at least equal to 1.1x consolidated current liabilities.

At June 30, 2009, the Group was in compliance with all of these covenants.

6) Liquidity

At June 30, 2009, the Group had several confirmed bank lines with maturities of over three years totaling 187 million euros (180 million euros at June 30, 2008). At June 30, 2009, 25 million euros had been drawn under these lines (no drawings at June 30, 2008).

OBSAAR

On April 6, 2009, Bonduelle issued 233,333 bonds with redeemable share subscription and/or purchase warrants (OBSAAR) with a par value of 600 euros on Euronext, maintaining shareholders' preemptive rights.

The principal terms and conditions of the OBSAAR are materially equivalent to those of the July 2007 issue.

The tables below present a summary comparison for the OBSAAR and BSAAR components of the terms and conditions of the issues this year and two years ago.

Principal terms and conditions of the OBSAAR bonds:

	OBSAAR 2007	OBSAAR 2009
Total issue	150,000,000 euros	139,999,800 euros
Issue price of OBSAAR bonds, at par	1,000 euros	600 euros
Maturity	6 years, July 24, 2013	5 years, amortizing April 6, 2014
Form	Bearer	Bearer or registered
Issuer's credit rating	N/A	N/A
Negative pledge	Yes	Yes
Pari passu	Yes	Yes
Rank and guarantee	Unsubordinated, Uncollateralized	
Expected redemption	Bullet repayment on July 24, 2013	April 6, 2012: 77,777 bonds April 6, 2013: 77,778 bonds April 6, 2014: 77,778 bonds
Coupon rate	3-month Euribor -0.3350%	3-month Euribor + 0.686%
Covenants	None	Long-term debt / Long-term equity <= 60 % Consolidated current assets / Consolidated current liabilities > = 1.1
Early repayment at the initiative of the bond holders, in the event of a change of control of the Company:	In the event of a change in Bonduelle's general partner, all bond holders may, at their own initiative, request the early repayment of all of the bonds they own.	
Early repayment of the bonds in the event of default:	At a meeting, the bond holders may decide to require the bonds to be repaid early due to certain events such as payment defaults, non compliance with contractual obligations, early repayment of other borrowings required due to compliance violations, appoi	
Early repayment or redemption at the initiative of the Company:	The Company may, at its own initiative, repay all or a portion of the outstanding bonds prior to the maturity date at their par value, i.e. 1,000 euros, plus all accrued interest.	The Company may, at its own initiative and at any interest payment date, repay all or a portion of the outstanding bonds, at their par value plus all accrued interest.
Listing	The bonds are traded on the Euronext Paris exchange. They are traded separately from the BSAAR warrants. ISIN codes:	
	FR0010490904	FR0010734483

Principal terms and conditions of the BSAAR warrants:

	BSAAR 2007	BSAAR 2009
Total issue	750,000	699,999
Exercise price	113.75 euros	80 euros
Exercise parity	1 new or existing share for 1 BSAAR warrant	
Term	7 years	7 years
Form	Registered	Registered
Lock-up period	From July 26, 2007 to July 25, 2009	From April 7, 2009 to October 7, 2010
Exercise period	From July 23, 2010 to July 24, 2014	From April 7, 2011 to April 8, 2016
Listing	On Euronext ISIN code: FR 0010490912 Effective July 27, 2009	On Euronext ISIN code: FR 0010734509 Effective October 8, 2010
Repayment of the BSAAR warrants at the initiative of the Company:	The Company may, at its own initiative, and at any time starting July 25, 2012 and up through the end of the exercise period of the BSAAR in question, repay all or a portion of the outstanding BSAAR prior to the maturity date at a unit price of 0.01 euro	The Company may, at its own initiative, and at any time starting April 8, 2012 and up through April 8, 2016 included, repay all or a portion of the outstanding BSAAR at a unit price of 0.01 euros; such early repayment may, however, be made only if the av
Repurchase of the BSAAR at the initiative of the Company:	The Company may repurchase BSAAR, at any time and with no restrictions upon either the price or the quantity, over the counter or on the exchange, or may make a public offer to acquire or exchange the BSAAR.	
Exercise of the BSAAR:	The 750,000 BSAAR may give the right to subscription or acquisition of 750,000 new ordinary shares. Consequently, the nominal amount of increase in capital that may result from the exercise of BSAAR will not exceed 5,250,000 euros.	The 699,999 BSAAR may give the right to subscription or acquisition of 699,999 new ordinary shares.

Note 22: Employee benefit obligations

1. Defined contribution plans

The Group participates in the creation of retirement plans for its employees, in accordance with the laws and customs of the countries in which the Group companies operate. The liabilities correspond to the contributions due.

2. Defined benefit plans

The Group also has contractual obligations to pay termination and retirement benefits, which are estimated using the projected unit credit method.

The Bonduelle group decided to recognize the actuarial gains/losses against equity using the SORIE (Statement of Recognized Income and Expense) option afforded by IAS19.

The plans are described in Note 2.K.

Analysis of changes in the defined benefit plans:

In thousands of euros

Income statement: Retirement expense	2007/2008	2008/2009
Cost of services rendered during the year	873	829
Impact of discounting	795	846
Projected return on plan assets	(575)	(576)
Projected return on reimbursement rights	0	0
Amortization of the cost of past services	0	46
(Gains) losses on plan reduction	0	74
(Gains) losses on plan liquidation	205	0
Retirement (income) expense recognized	1,298	1,219

Change in the present value of the obligation	2007/2008	2008/2009
Present value of the defined benefit obligation at July 1	18,067	17,195
Cost of services rendered during the year	873	829
Impact of discounting	795	846
Employee contributions	31	38
Plan modification	0	46
Plan reduction	0	(249)
Plan liquidation	(859)	0
Business combination	0	927
Disposal of operations	0	0
Benefits paid	(1,580)	(1,684)
Actuarial (gains) losses related to experience differences	(398)	(522)
Actuarial (gains) losses related to changes in assumptions	266	769
Present value of the defined benefit obligation at June 30	17,195	18,194

Change in fair value of plan assets	2007/2008	2008/2009
Fair value of plan assets at July 1	12,398	12,328
Projected return on plan assets	575	576
Employer contributions	1,595	905
Employee contributions	31	38
Plan liquidation	(1,065)	(323)
Business combination	0	0
Disposal of operations	0	0
Benefits paid	(838)	(903)
Actuarial (gains) losses related to experience differences	(368)	38
Fair value of plan assets at June 30	12,328	12,659

Reconciliation with amount recognized in balance sheet	2007/2008	2008/2009
Net financial position: surplus / (deficit)	(4,866)	(5,534)
Unrecognized past service costs	0	0
Impact of the limiting of surpluses (IAS19 #58 asset ceiling)	(28)	(28)
(Provision) at June 30	(4,894)	(5,562)
Net assets at June 30	0	0

Actuarial gains and losses	2007/2008	2008/2009
Actuarial (gains) losses generated at July 1	1,125	1,433
Actuarial (gains) losses generated between July 1 and June 30	236	209

Changes in carrying amounts recognized during the year	2007/2008	2008/2009
Net opening (liability) asset	(5,697)	(4,894)
Retirement (expense) income	(1,298)	(1,219)
Benefits paid by the employer	742	781
Contributions paid by the employer	1,595	905
Combination / disposal of operations	0	(927)
Actuarial differences recognized in equity	(236)	(209)
Net closing (liability) asset	(4,894)	(5,562)

Actuarial assumptions at June 30	2007/2008	2008/2009
Discount rate	5.00%	5.25%
Projected return on plan assets	4.50%	4.50%
Rate of increase of salaries	3.0%	3.00%

The assets managed by Predica to cover the Group's termination benefit obligations are matched to general assets.

Note 23: Stock option plans

The BSCA Management Board is authorized to grant Bonduelle stock options to certain of the Group's executive managers and managers.

Description of stock option plans

	Plan 8	Plan 9	Plan 10
Date of Shareholders' Meeting	12/12/2001	09/06/2005	09/05/2006
Date of Management Board meeting	05/05/2004	09/06/2005	09/05/2006
Initial number of shares granted	30,850	23,250	45,000
Of which number of shares granted to Mr Christophe Bonduelle legally representative of Pierre et Benoît Bonduelle, managing director of Bonduelle SCA	6,180	3,610	7,200
Of which number of shares granted to Executive Committee	11,660	9,050	31,800
Number of shares canceled (1)	-30,850	-7,580	-900
Total number of shares that may be subscribed or purchased	0	15,670	44,100
Beginning of exercise period	06/05/2008	09/06/2009	09/05/2010
End of exercise period	06/05/2009	09/06/2010	09/05/2011
Subscription price	71.4	61.5	62.52
Number of shares subscribed at June 30, 2009	0	0	0

	Plan 11	Plan 12	Plan 13
Date of Shareholders' Meeting	09/06/2005	06/12/2007	06/12/2007
Date of Management Board meeting	04/05/2007	16/04/2008	25/05/2009
Initial number of shares granted	9,226	43,500	74,050
Of which number of shares granted to Mr Christophe Bonduelle legally representative of Pierre et Benoît Bonduelle, managing director of Bonduelle SCA		4,600	9,400
Of which number of shares granted to Executive Committee	1,000	16,700	34,500
Number of shares canceled (1)	-500	-900	
Total number of shares that may be subscribed or purchased	8,726	42,600	74,050
Beginning of exercise period	05/05/2011	17/04/2012	26/05/2013
End of exercise period	04/05/2012	16/04/2013	25/05/2014
Subscription price	83.3	72	57.08
Number of shares subscribed at June 30, 2009	0	0	0

(1) Cancellations correspond to shares granted to employees who left the Group before the start of the exercise period.

Valuation of stock option plans

As stated in Note 2.P, stock options granted to employees are recognized at their fair value on the grant date, based on assumptions made by the Group's management. The options granted in 2008 and 2009 were valued on the basis of the following assumptions:

	At June 30, 2008	At June 30, 2009
Risk-free interest rate	3.99%	2.74%
Expected life	4 years	4 years
Expected volatility	19.74%	21.41%
Expected dividend rate	1.64%	1.85%

Expected volatility is estimated using the historical approach, which consists of calculating the standard deviation of the daily returns on the shares over the period preceding the date on which the stock options were granted and equal to the expected life of the options, i.e. five years.

The after tax charge for the period in respect of IFRS 2 was 287 thousand euros.

Note 24: Other provisions

In thousands of euros

	At June 30, 2008	Charge	Use	Reversals of unused amounts	Other (1)	At June 30, 2009
Sales related risks	1,839	2,205	(734)	(410)	28	2,928
Tax-related risks (2)	3,118	732	(155)	(281)	(110)	3,306
Employee-related risks	5,421	2,889	(1,026)	(362)	(49)	6,873
Restructuring	2,328	6,562	(1,587)	(50)	0	7,253
Other risks (3)	3,429	5,187	(366)	(1,099)	69	7,220
	16,135	17,575	(3,867)	(2,202)	(62)	27,580
				Current	Non-current	At June 30, 2009
Sales related risks				313	2,615	2,928
Tax-related risks (2)				387	2,918	3,306
Employee-related risks				461	6,411	6,873
Restructuring				700	6,553	7,253
Other risks (3)				629	6,590	7,220
				2,491	25,088	27,580

(1) Translation adjustments and transfers between lines

(2) Provisions for tax-related risks relate to tax audits that are presently being conducted, which are provisioned in light of the Group's analysis of the cases

(3) Provisions for other risks consist essentially of production-related risks and charges

Note 25: Trade and other accounts payable

In thousands of euros

	At June 30, 2008	At June 30, 2009
Trade accounts payable	351,177	319,111
Amounts payable to suppliers of non-current assets	23,917	21,730
Tax and social security payables	81,596	83,280
Other payables	16,838	21,055
TOTAL TRADE AND OTHER ACCOUNTS PAYABLE	473,529	445,177

Note 26: Independent Auditors' fees

French law requires a permanent legal control by two Independent Auditors. The main objective of this audit is to check that the financial statements are consistent, accurate and present a fair view.

The Independent Auditors are appointed by the Ordinary Shareholders' Meeting for a renewable period of six financial years.

Bonduelle SCA's Independent Auditors are:

Mazars

Represented by Cécile Fontaine, 61 rue Henri Regnault – 92400 Courbevoie – France
Substitute: Denis Grison, 61 rue Henri Regnault – 92400 Courbevoie – France

Deloitte & Associés

Represented by Jean-Yves Morisset, 67 rue de Luxembourg – 59777 Euralille – France
Substitute: BEAS, 7/9 Villa Houssay – 92200 Neuilly-sur-Seine – France

The two auditors are legally and financially independent of one another.

They were appointed by the Combined Ordinary and Extraordinary Shareholders' Meeting of December 7, 2006, and their terms will run through the Shareholders' Meeting held to approve the financial statements for the financial year ending June 30, 2012.

The following table presents a detailed analysis of the total fees paid by the Bonduelle Group to its Independent Auditors for the services they rendered during financial years 2007/2008 and 2008/2009.

	Mazars				Deloitte & Associés				Total	
	2007/2008		2008/2009		2007/2008		2008/2009		2007/2008	2008/2009
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	Amount
Audit										
Independent Audit duties, certification, examination of the individual and consolidated financial statements										
- Issuer	20	2%	24	2%	5	1%	5	1%	25	29
- Fully consolidated subsidiaries	1 014	96%	965	86%	545	99%	569	90%	1 559	1 534
Other audit duties and services directly related to Independent Auditor mandate										
- Issuer									0	0
- Fully consolidated subsidiaries	2	0%	79	7%			56	9%	2	135
Subtotal	1 036	99%	1 069	95%	550	100%	630	100%	1 586	1 699
Other services provided by the audit networks to fully consolidated subsidiaries										
- Legal, tax, human resources	15	1%	57	5%	2	0%		0%	17	57
- Other									0	0
Subtotal	15	1%	57	5%	2	0%	0	0%	17	57
Total fees	1 051	100%	1 126	100%	552	100%	630	100%	1 603	1 756

Note 27: Contingent liabilities

In thousands of euros	June 30, 2008	June 30, 2009
<u>Commitments given</u>		
Guarantees and security deposits given (net of uses)	1,989	11,787
<u>Commitments received</u>		
Guarantees and security deposits received (net of uses)	1,878	

The change of commitments corresponds to the hedge of current activities.

Operating leases

In thousands of euros	30/06/2009	30/06/2010	30/06/2011	30/06/2012	30/06/2013	30/06/2014 and after
Commitments under operating leases	2,676	2,330	1,795	1,299	1,280	3,449

Environment

None of the Group's activities generates any major environmental liabilities.

The Group occasionally incurs refurbishing costs on closed industrial sites.

Greenhouse gases: In the absence of a defined IFRS accounting policy, greenhouse gas quotas are not recognized in the consolidated financial statements. Bonduelle complies with the 355,115 TEQ CO₂ emissions quota assigned to it with effect from January 1, 2008. In the year ended June 30, 2009, total CO₂ emissions amounted to 87,803 TEQ CO₂.

Individual training right (DIF)

The Group's French companies accrued a total of 284,221 training hours under the terms of the French individual training right (DIF) system and 251,687 training hours have not been used.

Note 28: Transactions with related parties

SUBSIDIARIES AND ASSOCIATES

A list of the Group's subsidiaries and associates is provided in Note 30.

All transactions between the parent company and its subsidiaries and among the subsidiaries are eliminated on consolidation.

The Group's transactions with its associates (equity-accounted companies, including Huerta Gama, La Corbeille Rijke Oogst and the Gelagri companies) were not material.

MANAGEMENT AND CONTROL BODIES

They consist of the following organizations:

1. The Management, Pierre et Benoît BONDUELLE SAS,
2. The Supervisory Board, consist of 8 members,
3. The Executive Committee consists of 10 members.

The current account with Pierre and Benoît Bonduelle SAS had a 257 thousand euro credit balance. There are no other commitments to the latter.

REMUNERATIONS OF DIRECTORS AND OFFICERS

Short-term benefits

- The remuneration of the Management is determined by the Article 17 of company' statutes. For the financial year ended June 30, 2009 1,279 thousand euros was paid in compensation.
- The members of the Supervisory Board were paid 29,000 euros in directors' fees. The fees is set by the General Assembly.
- Gross remuneration paid to Executive Committee :
The executive remuneration is determined by the Remuneration Committee.
The variable remuneration is based on the ongoing performance of the group on progress of sales, net income group share and return on capital employed.

	2007/2008	2008/2009
Gross remuneration paid to the Executive Committee :	3,150,603 €	3,062,453 €

Benefits post-employment

These benefits consist of termination benefits and career service medals enjoyed all employees under collective agreements related to their employment contracts.

Other long-term benefits: none

Termination benefits: none

Payments in shares

- Plans of previously granted options
The options granted to members of the Executive Committee under the plans of previous stock options are described in note 23 on page 72 of the financial report.
- The functions of options of shares of the company are occurred during the year for all members of the Executive Committee are described in note 23 on page 72 of the financial report.
- Exercise of options all Executive Committee members
Under the plan options 05/05/2004, no waiver of the option action has been undertaken during the financial year ended June 30, 2009.

Moreover there were no acquisitions or disposals by the company of its own shares for a sale to its employees by the company.

The Group is in compliance with the AFEP-MEDEF's recommendations regarding compensation.

Note 29: Events after the balance sheet date

No significant events took place after the balance sheet date.

Note 30: List of Group companies

Analysis of Group companies by consolidation method:

1 - FULL CONSOLIDATION

FRANCE

At June 30	% holding 2008	% voting rights 2009	% holding 2009
Bonduelle S.C.A.			
Bonduelle S.A.	100%	100%	100%
Bonduelle Conserve International S.A.S.	100%	100%	100%
Bonduelle Surgelé International S.A.S.	100%	100%	100%
Bonduelle Development S.A.S.	100%	100%	100%
Bonduelle Food Service S.A.S.	100%	100%	100%
Bonduelle Sud Europe S.N.C.	100%	100%	100%
Bonduelle Frais Traiteur S.A.S	100%	100%	100%
Bonduelle Frais France S.A	100%	100%	100%
Revoisson S.C.I.	100%	100%	100%
Bonduelle Traiteur International S.A.S	100%	100%	100%
Sud Ouest Alliance - SOLEAL S.A.S (1)	36,95%	100%	36,95%

REST OF WORLD

Bonduelle Österreich, Austria	100%	100%	100%
Bonduelle Great-Britain, U.K.	100%	100%	100%
Bonduelle Northern Europe	100%	100%	100%
Bonduelle Nordic, Denmark	100%	100%	100%
Bonduelle Iberica SAU, Spain	100%	100%	100%
Bonduelle Italia, Italy	100%	100%	100%
Bonduelle Central Europe	100%	100%	100%
Bonduelle Nederland, Netherlands	100%	100%	100%
Bonduelle Polska, Poland	100%	100%	100%
Bonduelle Ceska Republika, Czech Republic	100%	100%	100%
Bonduelle Portugal, Portugal	100%	100%	100%
Bonduelle Incorporated, USA	100%	100%	100%
Bonduelle Argentina, Argentina	100%	100%	100%
Primeurop Argentina, Argentina	100%	100%	100%
Bonduelle Do Brasil Produtos Alimenticios, Brazil	100%	100%	100%
Bonduelle Kuban, Russia	65%	95%	95%
Bonduelle Deutschland GmbH, Germany	100%	100%	100%
BDV Hungary Trading, Hungary	100%	100%	100%
Fresco Italia, Italy	55%	55%	55%
Bonduelle Investment Company, Netherlands	100%	100%	100%
OP OASI, Italy	50,49%	75%	63,21%
B.F.P. GmbH, Germany	100%	100%	100%
Agricola Lombarda, Italy	100%	100%	100%
BF Agricola 4G, Spain	100%	100%	100%
Naturalmente Societa Agricola arl, Italy	66,30%	69%	66,30%
Bonduelle Canada Inc, Canada	100%	100%	100%
Bonduelle Ontario Inc, Canada	100%	100%	100%
Terricole Inc, Canada	100%	100%	100%
La Corbeille Groep		100%	100%
La Corbeille SA		100%	100%
La Corbeille Industrie		100%	100%
La Corbeille Conserven Picolo		100%	100%

2 - EQUITY METHOD

France

Gelaqri France (1)		35,50%	35,50%
Gelaqri Bretagne (1)		35,50%	35,50%

REST OF WORLD

Frikoni, Germany	50%		
Huerta Gama S.Coop, Spain	20%	20%	20%
Gelaqri Ibérica, Spain (1)		35,50%	35,50%
Gelaqri Industrial, Spain (1)		35,50%	35,50%
La Corbeille Rijke Oogst (1)		33,33%	75,80%

(1) See Note 1